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Great Britain and the World's Live-Stock Industry

A Partial Report of Investigations in Europe, February to May, 1923

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[*Concluded from September number*]

IN THE FIVE-YEAR PERIOD from 1900 to 1904 the average export of frozen and chilled beef from the United States to the United Kingdom was 300,781,600 pounds. By 1913 it had fallen to 163,744 pounds—in fact, had almost vanished. Pressure of war demands put the amount up again suddenly, and it reached a peak in 1918 of 401,357,488 pounds. By 1921 a sharp drop toward normal brought the exports down again to 16,683,856 pounds. In 1922 the supplies of chilled and frozen beef from the United States to Great Britain had fallen to zero. In this year the number of live cattle shipped, which had been zero from 1914 to 1920, inclusive, was 29,595.

In contrast with the course of things stated above in regard to the United States, the average quantity shipped from the Argentine republic in the five-year period from 1900 to 1904 was 110,553,408 pounds. By 1913 the exports had gone up to 803,250,000 pounds. During the war, by reason of insufficiency of shipping tonnage, Argentina's exports suffered very greatly, and had fallen to less than 224,000,000 pounds in 1918, when the United States reached its maximum of all time. On the other hand, by 1921 the natural progress of events had brought Argentina up to 837,570,272 pounds. In 1922 Argentina's exports had risen to 887,844,160 pounds.

Admission of Canadian Store Cattle

By act of Parliament during the spring of 1923, after a long period of agitation, Canadian "store cattle"—as feeders are called in the United Kingdom—are now admitted on practically the same basis as Irish cattle. Estimates ranging all the way from 70,000 to 200,000 head per year were heard as the number likely to be shipped. As an average shipload of live cattle is about 700 head, it will take from about 100 to nearly 300 ships to transport the minimum and maximum numbers estimated.

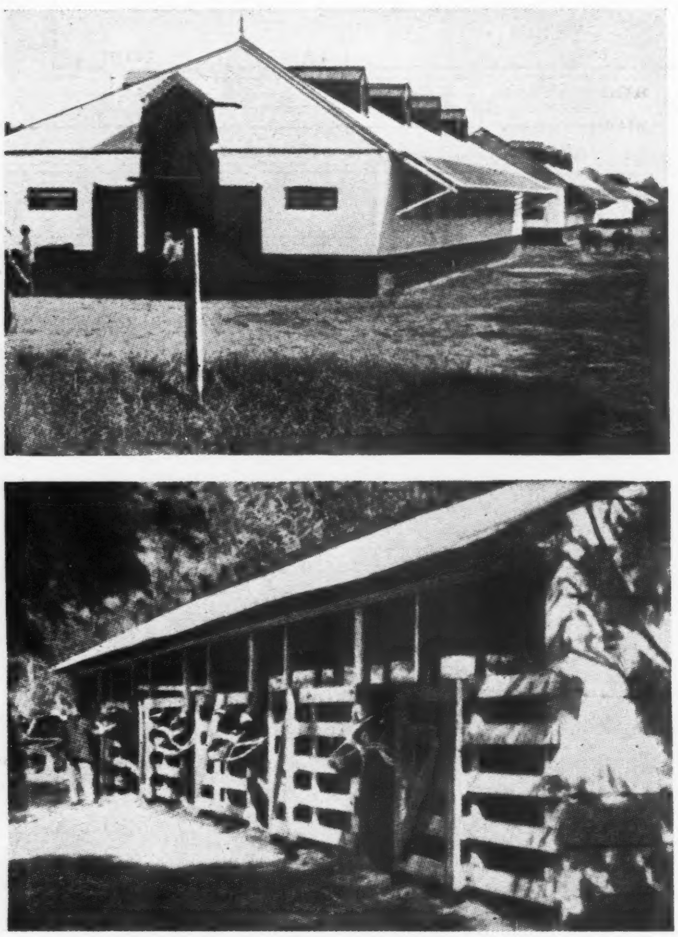
British live-stock interests generally appear to believe that the admission of Canadian feeders will ultimately ruin the small English cattle-raiser. They further feel that an unfair advantage has been taken of them, not only by the Canadian commission that engineered the arrangements, but by their own Ministry of Agriculture and others in authority over agricultural matters.

Irish View on Admission

Great Britain and Ireland breed annually nearly 4,000,000 head of store cattle; hence the maximum from Canada, if 200,000 per year are brought in, would amount to about 5 per cent of the home supply. The bulk of Canadian shipments would necessarily be made during the same season as range cattle are shipped to market in the United States. The heaviest shipments would fall in the autumn months—September, October, and November. Spring shipment is not likely to be resorted to to any great extent, except in the case of fat cattle or cattle practically ready to kill.

Hitherto the Canadian stockers and feeders now destined for direct shipment to the United Kingdom,

as well as Canadian fat cattle, have very largely come to the United States. The tariff act of 1922 imposes a duty of 1½ cents per pound on beef animals weighing less than 1,050 pounds, and 2 cents per pound on those weighing more than 1,050 pounds. Sheep pay $2 per head. On the other hand, the duty on fresh beef and veal is 3½ cents per pound; on mutton, 2½ cents; and on fresh lamb, 5 cents.



FARM BUILDINGS ON A RIVER PLATE ESTANCIA

Dr. J. H. Grisdale, Deputy Minister of Agriculture of Canada, and Hon. Duncan Marshall, Canadian Live Stock Commissioner, were in the United Kingdom during the writer's visit. The latter was reported as stating that "England can take all the Canadian animals available, as well as the present Irish receipts."

The Irish time of heavy shipments now coincides with what will be forced upon Canada by the nature of her winter weather. Ireland can—and no doubt will—change her plans to make the heaviest shipments begin in the spring, and thus her cattle will be out of the way in good part by the time the Canadian shipments begin to come forward.

The Irish do not fear Canadian competition, and say: "There is no better class of beef cattle in the world than the first-class Irish store got by a pure-bred bull." The Canadians, on the other hand, say: "Irish cattle compare unfavorably with the Canadian on arrival."

At any rate, winter conditions are so mild in Ireland that, by storing some additional roughage and roots to supplement their winter grazing, the Irish feel they need not fear the new Canadian competition.

Admission of Canadian Breeding Cattle

Encouraged by their successes in getting feeders admitted to the United Kingdom (fat cattle have practically always been admitted for killing), the Canadian authorities almost immediately applied for the right to bring in breeding cattle as well. This permission has been granted, to the satisfaction of Canada and to the great discomfiture, not to say actual alarm, of the British cattle-breeder, who for 150 years has set the pace for the world. Defensive work to keep out the foreign breeding cattle and to get a modification of the decree with reference to Canadians is in contemplation.

A source of special vexation is the fact that Canadian feeders are admitted without being required to undergo a test as to freedom from tuberculosis. The breeding stock, when imported, is not subjected to proper quarantine either before or after debarkation. On the other hand, British breeding cattle must submit to a thirty days' quarantine when they are landed in Canada, and are also subject to the tuberculin test.

Outlook for America in British Fresh-Meat Market

America's efficiency in swine production will for many years continue her importance as an exporter of pork and pork products. Our average shipments to the United Kingdom for the five-year period from 1910 to 1914 was about 450,000,000 pounds. In 1919 we shipped 1,369,000,000 pounds, while for the fiscal year ended June 30, 1922, we shipped 676,000,000 pounds. With the rehabilitation of agriculture in Europe, these figures will be subject to gradual modification.

As to mutton, little need be said. Artificial refrigeration and the operation of economic forces will see to it that New Zealand, Australia, and Argentina supply the need. As we have only 325 sheep per thousand of population, while the United Kingdom has 511, it might, on the face of it, seem more likely that we would import from there.

As to beef, the British market no longer looks to America for any notable supplies of fresh meat. Domestic beef production in the United Kingdom is a relatively stable proposition. As grain prices go up, lands devoted to pasture, and home production of beef and mutton, tend to decrease. As grain prices go down—and they are now not compensatory—more land comes into grass, with a concurrent increase in beef and mutton production.

Neither of these oscillations, as they occur, will result in a large modification of supplies, considered from the standpoint of the total quantity needed. They will, nevertheless, have a profound effect on competitive prices of imported meats.

Southern Hemisphere to Be Chief Source

The meat trade of Great Britain is fully convinced that the trend of the future will be for a greater and greater production in Argentina, which will overshadow every other source of supply in the world. Next in importance as to the future will be the development of additional supplies from Australia and New Zealand. South Africa, they believe, will show some increase as time goes on, but not enough to play an important role in world commerce. Brazil, with great latent possibilities, will increase, but always remain of less importance than its potentialities warrant, chiefly by reason of disease and the enormous difficulties of efficient production under tropical conditions.

Many factors will affect the relation of the United States to the problem. The most important, perhaps, is the relatively high cost of production here, compared with countries now in the pioneer stage. Other factors which demand consideration are the mutation of America from a predominantly agricultural to a predominantly industrial nation; the decrease in the number of beef cattle relative to population; the high purchasing power of its people; more efficient beef-production methods that will constantly come into use; the growth of the dairy industry, which has greatly increased the proportion of cattle of dairy characteristics received at market centers; the younger age at which slaugthering now takes place; and many others.

Withal, it should be remembered that the United States may at any time, on two to three years' notice, become a great source of surplus beef supplies. During the war we increased our production so rapidly that, in spite of an increased consumption per capita at home, we exported in 1917 and 1918 combined more than 1,000,000,000 pounds of beef, which was 7 per cent of our own production and 22 per cent of the total export of the world during those years.

ARMOUR-MORRIS CONSOLIDATION

HEARINGS AT CHICAGO on the purchase by Armour & Co. of the business of Morris & Co. were concluded on September 19. Chester Morrill, in charge of the case, announced that the hearings would be resumed at Washington on October 16, when the packing interests, which so far have introduced no witnesses, are expected to present their testimony.

"After reading THE PRODUCER for the past eighteen months, I find it a great help, and do not think even an ex-cowman should be without it."—M. L. COTTINGHAM, Oklahoma City, Okla.

MEAT DISTRIBUTION

BY JAMES E. POOLE

ALTHOUGH LIVE-STOCK VALUES literally melted away during September, and at the inception of October were in somewhat demoralized condition, consumers received no perceptible benefit. After the rank and file of beef cattle had declined anywhere from $1 to $2 per cwt., the writer suggested to a certain retailer that he was charging the same prices as thirty days previously. "You guessed right," was his reply. "I buy from a jobber, and he doesn't seem to have heard of the slump at the stock-yards. And, what is more, my rent, labor bills, and other expenses, constituting overhead, have not even been shaved. What difference does a break in cattle values make to me?"

These two factors—the jobber and overhead expenses—are usually ignored in discussing distribution problems. The uninitiated cannot realize the influence exerted on meat distribution by an army of jobbers which may or may not be superfluous. In some respects the jobber is a creation of the packer, to whom he has been useful in making collections and shouldering hazards. In recent years his ranks have multiplied, until what was once a utility promises to become a menace. Somebody must, of course, pay the bill. Between the jobber, increasing rents, the exactions of organized labor, and other expenses incidental to carrying on a business that is obviously overdone in practically every community in this country, a disparity between cost of both live stock on the hoof and dressed meats in the cooler on the one hand, and prices assessed consumers by retailers on the other, has been developed that threatens to stick.

Discussion of whether or not the retailer is a profiteer is absurd. In a majority of cases he is merely staying in business. At Hagerstown, Indiana, I recently met J. B. McLaughlin, the horseman, and found that he had been cogitating on the same theme. He took me over to a pretentious market, the fixtures of which probably cost $5,000, employing seven men, each of whom came to work in an automobile. Inquiry of the owner elicited the fact that since 1914 his overhead had increased about 200 per cent, while his volume of business did not show a gain to exceed 40 per cent. The labor union told him not only how much he must pay his men, but what they were to do and when they were to work. They averaged two days in idleness each week, the time being expended in "touring." At that moment four men were on duty, with not a customer in the shop.

"Why do you employ so many?" he was asked. "Need them for the rush hour," he replied. "My customers demand service, and if they did not get it here they would go elsewhere. If I make a dollar out of this business, it comes out of Saturday's trade."

Hagerstown, in common with every other community in the country, has two meat markets where one would be ample. There are straight markets where nothing but meats is sold, delicatessen shops handling all kinds of "eats," including fresh meats, and combination groceries and meat markets. The genuine meat market usually maintains direct contact with the packers' coolers and, but for the competition of hybrid markets, especially the grocery, could distribute more economically, because its volume would be increased. The groceryman operating a meat-counter invariably deals with a jobber; so does also the delicatessen-vender. Another sphere of middle distribution practically monopolized by the jobber is the restaurant and hotel trade, both these final dispensaries of meats being notorious for excessive charges and miniature portions.

At the packing-house cooler the jobber is popular. If his credit is not good, he pays cash. It is up to him to carry the hazards of credits and shoulder bad debts. He is the chief prop in the vicious credit system which is mainly responsible for fictitious retail cost of meats. If he loses 15 to 20 per cent of his volume by bad debts, he must assess it against the paying element in his trade, or go "broke," which he frequently does. But the chief evil of this jobber, or peddler, system lies in the fact that it promotes unhealthy competition by establishing and maintaining shops in localities where they are obviously superfluous. This competition does not make for lower, but for higher, prices to consumers, as retail cost is determined, not by wholesale prices, but by overhead expense. It would be a good thing for live-stock growers, packers, legitimate meat-retailers, and consumers if this peddling, or jobbing, system could be abolished and every grocery-store meat-counter junked. Every shoemaker should stick to his last, and the average groceryman has no business vending meat, as he cannot secure sufficient volume to justify the incidental overhead.

Retailing from its various angles was discussed at the Atlantic City packers' convention in September by George Kramer, of the United Master Butchers' Association, and A. W. Swarthout, of the Bureau of Agricultural Economics. Kramer hit a nail on the head when he asserted that multiplication of chain stores, recently heralded as a solution of the problem, had merely aggravated it by increasing the number of meat dispensaries which the public must support if they survive. He quoted L. D. H. Weld, the Swift expert, to support the contention that service was a factor of material importance, and that the public is willing to pay for it. Kramer laid down the principle that retailers' success depends on volume, and it is this multiplicity of establishments that decreases volume, at the same time increasing overhead. Distributive conditions were decidedly more economical during the period of cheap live stock, when labor, rent, and other expenses were 60 per cent less and the one-man market, now almost extinct, was the rule. At that time the retailer could "get away" with a substantial profit. The real reason for current demand for light meats is not that consumers prefer that kind, but that they are making an effort to evade increasing cost by reducing the size of the package they buy.

Mr. Swarthout, at the packers' convention, telling what the Bureau of Agricultural Economics had done in the sphere of meat-distribution investigation, regretted lack of intelligent bookkeeping, asserting that not 10 per cent of retailers interviewed had anything resembling adequate records of their business, which is evidence of incompetency. He quoted Professor Secrist, of Northwestern University, to demonstrate that retailers doing a sufficient volume of business to operate below 18 per cent made a profit, while those with expenses exceeding 25 per cent were invariably losers. Results of an investigation in Wisconsin showed that the cost of doing business ran all the way from 8 to 62 per cent of sales, a large percentage of which is represented by wages. For some reason or other, the Bureau of Agricultural Economics ignores the jobber as a factor in maintaining prices to consumers that are obviously out of line with hoof and cooler cost. Closely associated with this problem is the much-desired stimulation of meat consumption—the angle that interests producers. Only by increasing consumption can production be benefited; and that this can be accomplished most effectively by elimination of intermediate tolls is not open to successful contradiction. Another evil in connection with retailing meats is substitution and misrepresentation of quality—devices by which profits are increased. Much of the advertising of meats in the metropolitan papers, especially by department and chain stores, is based on prevarication. If the association of retailers were in a position to regulate the trade, many existing evils might be alleviated or even eliminated; but the majority of those engaged in meat-vending are outside its membership.

It is to be regretted that the packers' convention did not consider the distribution problem of more importance. Two addresses on the subject were presented, but both ignored important angles, and discussion indicated lack of interest. The packer must sooner or later pay more attention to distribution. The subject cannot be disposed of in an offhand manner by mere assertion that retailers are neither profiteers nor fortune-accumulators. There is something so radically wrong with the system, not the individual, that need of a remedy is urgent.

In terms of wholesale prices of 200 representative commodities, the purchasing power of a dollar at the middle of May, 1923, was 61.5 cents, compared with 100 in 1913. The lowest since the war was 40.5 cents in May, 1920, and the highest 72.5 cents in January, 1922.

LIVE-STOCK AND MEAT RATES TO ATLANTIC SEABOARD

IN THE OPINION OF SAM H. COWAN, attorney for the American National Live Stock Association, the petition filed with the Interstate Commerce Commission by Iowa packers, and concurred in by some of the big packers in separate complaints, asking a reduction in proportional transportation rates on fresh meats from Mississippi River crossings to the Atlantic seaboard, is, from the point of view of the live-stock producer, the most important case ever brought before the commission.

The central point in these complaints, all consolidated into one case (Docket 14771), is that the existing fresh-meat rates, as compared with those on live stock between the same points, constitute a discrimination against the interior packers, in that they give an undue advantage to eastern packers who buy live stock on western markets, ship it east, slaughter it there, and distribute the product. The complainants do not seek an increase in live-stock rates, but want this alleged discrimination removed, or the difference reduced to the point at which it stood prior to the percentage advances during and after the war.

Against this argument, the contention of live-stock producers and their associations, represented as intervenors in the case, the American Farm Bureau Federation, the National Live Stock Exchange, and eastern packers is that, since both classes of rates were advanced on the percentage basis, the difference is a natural and proper one. Under these rates, eastern slaughterers in large number have been enabled to carry on a beneficially competitive business. At the present time several hundred order buyers and purchasers are engaged at western live-stock markets in supplying that business, providing, with the feeder-buyers, practically the only outside rivalry.

If this differential were either eliminated or materially reduced, Mr. Cowan argues, the whole economic situation of the trade would be changed. Eastern packers could buy but little live stock at western markets, and competition would be stifled.

The contention of the western packers that they are not seeking to increase live-stock rates, nor to change rates except from the Mississippi River and Chicago to the Atlantic seaboard and intermediate points, is countered with the statement that the rates applicable on either live stock or fresh meats from the Missouri River or any of the western markets make up whatever transportation has to be paid by using the factor to the Mississippi River and adding the proportional rate to the seaboard. Hence whatever changes should be made in the proportional rate from the Mississippi would be equally applicable to the entire cost of transportation from any western market.

A hearing has been set for October 22 at Omaha, where western stock-raisers and representatives of the western markets will be heard.

WESTERN RANGE CATTLE PRICES

J. E. P.

WALLIS HUIDEKOPER presented the highest-priced western cattle sold on the Chicago market up to October. They averaged 1,380 pounds and realized $10 on October 2, after a slump of $1 per cwt. The fact cannot be concealed that Corn Belt feeders, and not killers, have been responsible for the range-cattle market this season, although killers have taken a goodly percentage of the higher-priced steers. There has, however, been sufficient competition from feeders to force killers to pay considerably more than would have been the case otherwise—just how much must be left to conjecture. Early in the season cattle from the northwestern pastoral area came soft, but since they reported in beef condition killers have taken a fair share. The market has not been the same kind of disappointment as last season, but prices have not generated enthusiasm. Possibly had the supply of warmed-up steers, that had been fed just enough corn to turn the color of the beef, been less abundant, westerns would have been equal to a better performance.

A few samples will show how the market acted late in September when the movement from the Northwest was at flood tide. The Double Diamond steers, averaging 1,115 pounds, realized $7; the Dana Cattle Company's consignment, averaging 1,087 to 1,116 pounds, $7.15; and the Eaton Cattle Company's stuff, averaging 1,209 pounds, $7.50. The Powder River, double-wintered Texans, averaging 1,162 pounds, went over the scales at $7.10; the Blackfoot Cattle Company's 1,300-pound steers realized $7.60, the 1,142-pound end going at $7.50; and the Spokane Live Stock Company's steers, averaging 1,200 to 1,220 pounds, $7.25 to $7.35. Cows weighing 1,000 to 1,060 pounds sold at $5.25 to $5.40, and light cows at $4.50 to $4.75. The proportion of cow stuff has been small, but has not commanded respect at buyers' hands, as the beef it yields is not popular. The Department of Agriculture has instituted inquiry concerning the volume of female cattle loaded in the West this year, to determine if herd depletion has run its course, which is probable.

Western cattle have not been penalized so severely as last year, for the reason that the best end came in better beef condition and feeders have been active. Early-purchased western cattle have shown handsome profits in the feeding operation—at least until the sharp break late in September. During July, August, and September over 1,000,000 cattle left the central markets for seven states, and many of them are still munching corn, assuring an abundant supply of corn-fed beef until January. This demand was, in fact, the stoutest prop under the market, preventing killers from taking the crop at their own price. Feeders bought many $8 to $9 fleshy steers at a time when killers would probably have bought them a dollar lower. The October and November market will determine whether breeders or feeders secured the big end of the stick. It is significant that whenever receipts let up the fat-cattle market "comes back." This happened during the first week of October, when certain grades of short-fed steers reacted 50 to 75 cents per cwt. almost overnight—convincing evidence that beef is going into consumption and not accumulating on the hang-rail.

This season's western cattle market affords a demonstration of the essential relation of feeder and stocker demand to price determination. Feeders have bought grass steers all the way from $4 to $10.50 per cwt., the latter figure having been paid in one instance for Wyoming cattle at Omaha. Eliminating top and bottom grades, the proportion of $6.50 to $8.25 stocker and feeder purchases has been large, and this buying has been done on a somewhat congested market. At Chicago there has been a steady feeder demand for western yearlings at $7.75 to $8; but to get these prices quality was necessary. Naturally feeders have shown preference for dehorned cattle.

Consumers still demand red, corn-fed beef, in contradistinction to the darker meat of grass cattle, so that economy in giving grassers a brief corn-crib cross must be apparent. Feeders do not want common or even nondescript cattle for summer and fall feeding; which emphasizes the importance of quality. When they buy common and rough light steers, it is for a long pull, and they insist on getting them at a price calculated to reduce the hazard. Western stockers costing $25 to $35 per head may make money for feeders, but will never put a cent into the breeder's pocket.

If it were possible to hay-feed a considerable percentage of the western cattle now dumped into the September-to-November market, both breeders and feeders would profit. Corn Belters cannot conveniently or economically handle many cattle at the same period, but are partial to a frequent turn-over. Late in the winter and along next spring, when purchases made at this season have been unloaded, they will be in the market for more cattle, and probably have difficulty in getting them at a price that will let them out. Subsequent to February, any steer with a pick of beef on its ribs will be acceptable to killers, forcing feeders to get into competition with them or go without cattle, which horn of the dilemma many will take.

The problem facing western cattlemen appears to be distribution of their product over a longer period—September to March rather than September to November. Admitting that physical conditions have much to do in shaping the movement, it may be possible to store cattle in the West until Corn Belt feeders are in a position to utilize them advantageously. Stockers have been, and are, cheap; next spring, toward the rise of grass, it is probable that they will be higher than a cat's back. The theory, to which many have held tenaciously, that wintering stockers is a losing game may be exploded. The place to winter stock cattle is where hay is cheap.

Every season develops periods of congestion at the central markets—periods when thin western cattle of various kinds are sold far below intrinsic and subsequent value. Those who dump at that period are severely penalized.

It now looks as though the last week of September recorded low point in western cattle values for this season. Pasture is abundant everywhere east of the Missouri River, much soft corn must be salvaged by the beef route, and many feeders have delayed buying in expectation of still lower prices.

WESTERN TARIFF ASSOCIATION ORGANIZED

PERMANENT ORGANIZATION of the Western Tariff Association was effected at a meeting held in Denver on October 3 and 4. The new organization is to function in co-operation with the Southern Tariff Association, the president of which, John H. Kirby, of Texas, was one of the signers of the call, which besides bore the signatures of Frank J. Hagenbarth, president of the National Wool Growers' Association, numerous producers', bankers', and civic bodies, and nine governors. A large delegation of representative western men had assembled and took part in the discussion—Republicans and Democrats alike, emphasizing the non-partisan character of the congress.

The purposes of the association are thus set forth in the constitution adopted:

"1. To provide an open forum for the discussion of public policies as they affect the progress and prosperity of western industry, especially with respect to tariff rates.

"2. To secure the adoption of a permanent American tariff policy which will equalize the cost of production in this with foreign countries, preserve American industry, production, and labor against destructive foreign competition, maintain American standards of living and wages in every line of effort, and to oppose a tariff policy that discriminates against any section, class, or product.

"3. To set up state and local tariff organizations and clubs.

"4. To secure the co-operation of chambers of commerce, industrial bodies, the press, banks, and all civic and political bodies in accomplishing these results.

"5. To carry on an educational campaign through the press and other available mediums of disseminating information; to assemble and distribute statistical data; to study trade conditions; to study the operation of tariff schedules and their effect upon productive and industrial conditions; to provide the membership with accurate and complete information on the tariff.

"6. To represent the interests of the western producers in tariff legislation before the United States Congress and the United States Tariff Commission.

"7. To hold tariff congresses at such times and places as may be designated by the executive committee."

Membership in the association is confined to the following states and territories: Arizona, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Utah, Washington, Wyoming, and such other states as may be approved by the executive committee.

Officers were elected as follows: president, Frank J. Hagenbarth, of Utah; vice-president, P. J. Quealy, of Wyoming; treasurer, J. C. Mitchell, of Colorado; manager, J. A. Arnold, of Washington, D. C.

Permanent headquarters are to be opened at Salt Lake City, where the 1924 convention will be held.

Following is the principal resolution passed:

"WHEREAS, Substantial agreement has been reached among representatives of both great political parties on the necessity for a tariff on the products of western industries; and

"WHEREAS, Under the provision of the present tariff act there appears to be opportunity for stabilization of agriculture, mining, commerce, manufacturing, and labor, whereby western industries are coming out of the difficult post-war period of readjustment under this tariff already in effect; and

"WHEREAS, Uncertainty as regards changes in the rates of said tariff in schedules affecting agricultural and other western products adversely affects confidence in credit in the industries of the western states; therefore be it

"*Resolved*, That this congress goes on record as opposing any downward revision of the present tariff on any agricultural or other western products, or any hasty or ill-considered revision of any existing tariff schedules until the same shall have been proved inequitable in actual experience."

Mr. Hagenbarth, in his opening address, criticized the attitude of the Tariff Commission on the elastic-schedule provision of the Fordney-McCumber act, which, he stated, was not intended to give the commission authority to initiate movements to change the tariff without preliminary hearings. "We have no political role to play," he said. "Nor do we wish to be known as living in glass houses and casting stones at our neighbors who may have a just cause for complaint against certain tariffs. Let our sole purpose be the seeking of daylight and justice."

A message was received from President Coolidge, who expressed his sympathy with the aims of the congress.

THE CALENDAR

October 16-19, 1923—Annual Stocker and Feeder Show, St. Joseph, Mo.

October 18-19, 1923—Annual Convention of Idaho State Cattle and Horse Growers' Association, Pocatello, Idaho.

October 20-28, 1923—San Francisco National Live Stock Show, San Francisco, Cal.

November 3-10, 1923—Pacific International Live Stock Exposition, Portland, Ore.

November 17-24, 1923—American Royal Live Stock Show, Kansas City, Mo.

December 1-8, 1923—International Live Stock Exposition, Chicago, Ill.

December 7-8, 1923—Annual Convention of California Cattlemen's Association, San Francisco, Cal.

January 1-5, 1924—Ogden Live Stock Show, Ogden, Utah.

January 15-17, 1924—Twenty-seventh Annual Convention of American National Live Stock Association, Omaha, Neb.

January 19-26, 1924—National Western Stock Show, Denver, Colo.

January 21-23, 1924—Annual Convention of National Wool Growers' Association, Salt Lake City, Utah.

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IN THE INTEREST OF THE

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BY THE

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GENERAL BUSINESS CONDITIONS

AS EXPECTED, the anthracite-coal strike proved of short duration, with wage increases and recognition of the union the principal concessions wrested from employers. Production is back on a normal basis, and the consumer is getting ready to bend his back under a new burden. No other labor difficulties of major importance are at present clouding the horizon.

In the iron and steel field prices have eased somewhat, though September sales were large. Most automobile factories are running full time. Shoe production is at capacity. Car-loadings continue in excess of those of the best previous years, furnishing a significant gauge of total trade volume. Although building operations in a number of cities have been curtailed, lumber business is still active. Petroleum is depressed.

A broadening of demand is noted in the dry-goods trade, with advance sales to retailers larger than anticipated. The rise in the price of cotton has been accompanied by a greater degree of firmness in other textile raw materials. Lack of sustained activity still characterizes the hide market.

Wheat-harvesting is finished, with the government's final estimate standing at 793,000,000 bushels. Frost and excessive rains have damaged the corn in many sections, resulting in a large amount of soft corn and a material reduction from the official guess of a 3,076,000,000-bushel crop at the beginning of September. Cotton reports are very spotted, with seed selling at $40 to $45 per ton in Texas.

As far as our foreign trade is concerned, increased shipments of manufactured goods are in part making up for losses in exports of grain. European demand for packing-house products continues very good. The unfavorable trade balance of earlier months has again given place to an export surplus, even though small.

Call-loan rates have risen to 5½ per cent, from the low point of the year at 3½ per cent reached in September. Time loans likewise are firmer. Stocks are irregular. The end of Germany's passive-resistance policy in the Ruhr was reflected in sharp gains in continental exchange, followed by a partial reaction. After a lapse of four years, the Baltimore & Ohio Railroad has declared a dividend of 5 per cent on its common stock, evidencing the better financial condition of the carriers.

NO COMPULSORY RAILROAD CONSOLIDATION

TWO YEARS AGO, under authority vested in it by the Act to Regulate Commerce, as amended in 1920, the Interstate Commerce Commission published its tentative plan for the consolidation of the railroads of the country into nineteen systems, in the main following the suggestions made by Professor William Z. Ripley, of Harvard University, who had been asked to formulate a scheme. The idea underlying this centralization was, of course, economy and efficiency of service. As expressed by Chairman Clark of the commission, it contemplated the creation of a service "rendered by large systems, with their component parts properly co-ordinated under a common policy, rather than by a substantial number of weaker and, in some instances, impecunious systems, each with its selfish interests and its separate organization." It was the hope of proponents of the plan that no compulsion would have to be resorted to, but that its advantages would be so apparent as to command voluntary acceptance.

In this, however, they have been disappointed. Railroad executives have not shown any great anxiety to scramble their holdings, except in so far as by so doing they might strengthen their own systems. Probably they are afraid of the "weak sisters"—the "impecunious systems" whose budgets they would have to take over. So reluctant have they been that nothing but congressional action seemed to promise results. Senator Cummins, of Iowa, chairman of the Interstate Commerce Committee of the Senate, has been credited with the intention of introducing a bill for the enforced consolidation of the roads. This program, it is reported, had the support of the late President Harding.

Now, however, a dispatch from Washington announces that Mr. Coolidge does not look with favor on any such proceeding, and that, as a consequence, Mr. Cummins has abandoned it—at any rate, so far as the

next Congress is concerned. One of the features of the amendment to the Transportation Act which the senator proposes to introduce, he is reported as saying, "will probably be that during the period allowed for voluntary consolidations no definite plans shall be required or promulgated, but that all consolidations proposed by the railroads shall be subject to the approval of the Interstate Commerce Commission."

This would be in line with what Clifford Thorne wrote in the November, 1921, PRODUCER: "If consolidation must come, let it be by gradual, natural process, subject at all times to the approval of the Interstate Commerce Commission and, possibly, to a review by our courts."

That the whole transportation problem will be given a thorough airing at the next session of Congress may be regarded as a foregone conclusion. Among the multitude of bills dealing with this subject will be one fathered by the American National Live Stock Association. Aside from the consolidation program and the notorious section 15-a, there are the freight rates. The necessity for a material reduction in these is now conceded on all sides. Secretaries Wallace and Hoover have recently urged it in strong terms as a means of helping the agricultural producer. To forestall possible radical action, the roads themselves are showing signs of a willingness to make concessions along this line. Just how far these will go remains to be seen.

SECRECY IN ENFORCING A PUBLICITY MEASURE

CONCILIATION has so far been the keynote in the enforcement of the Packers and Stock-Yards Act. It has been felt by the Secretary of Agriculture and his aides that best results could be obtained through the more or less ready co-operation of the agencies affected by the law, rather than by emphasizing the element of government interference. Thus a spirit of accommodation has been developed, and the act has been functioning with a degree of smoothness hardly anticipated by its framers and in strong contrast with the early predictions of those coming under its provisions.

Some time ago an incident took place at the St. Paul market which throws into strong relief the existence of just such conditions as the act was designed to remedy. Through an audit of the books of all the commission firms doing business at that market, undertaken by the Packers and Stock-Yards Administration, fraudulent and irregular transactions were revealed on the part of half of the membership of the local live-stock exchange. The case was quietly turned over to the exchange itself to deal with. Fines in varying sums were assessed, several of the guilty firms were suspended, and two elected permanently to retire from the yards. In the brief announcement sent out by Secretary Wallace neither the name of the market nor the identity of the offenders was disclosed. What direct information the public has received has come from an interview with the president of the exchange.

Strong exception to this kind of procedure has been taken in several quarters. Particularly emphatic is a statement by Charles A. Lyman, representing several farmers' organizations, who declares that "the act intended as a great remedial and publicity statute was applied in such a way as to keep the facts secret from the farmers who had been defrauded, and to turn over the trial and punishment of the guilty members of the exchange to the exchange itself," thus making of the law "an instrument to protect, not the farmers, but the exchanges whose abuses were the cause of its enactment." "If the secretary had followed the law prescribed by Congress, the farmers would have got their money back, and the commission men would have been compelled to stop their illegal practice."

In his address before the Institute of American Meat Packers at Atlantic City last month, Secretary Wallace took cognizance of these criticisms. We take pleasure in printing his reply in full:

> We have been charged with not enforcing the provisions of the act against the commission men at St. Paul. It is claimed that, instead of punishing the guilty men, we have allowed the live-stock exchange to punish them; that we have thrown a cloud of secrecy over the investigation; that we have not taken steps to enable farmers who have been defrauded to collect the money which belongs to them. Our critics say that we should not have allowed any other agency to act against these commission concerns, but should have proceeded against these people under our own authority.
>
> These criticisms grow out of ignorance of the law and how it must be administered; or, if not that, they indicate a malicious intent to discredit the act, or to secure delay and protect those who may be found guilty under it.
>
> Here is what happened at St. Paul: A force of auditors was sent there to audit the books of the commission companies. So far as I know, this is the first time this has been done, although the market had been under state supervision for some years. Before they had been at work very long, they found that some commission firms were guilty of irregular practices. In a few cases commission agencies were found taking advantage of the shipper for their own benefit. Most of the cases, however, consisted of an apparently corrupt arrangement with the commission firm, or some member of it, by which managers of local farmers' shipping associations got a rake-off on some shipments. Whether this rake-off was in the nature of a rebate received by the association or was side graft by the manager of the farmers' association has not been fully disclosed, and cannot be until the books of the local farmers' co-operative associations are audited. We have no authority over these local shipping managers, but this work in the country will be done by the State Commissioner of Agriculture.
>
> These offenses were not confined to any group or class of agencies in the market. Commission firms or individuals found guilty of wrongdoing are subject to discipline and pen-

alty by one or more of three different agencies: the Department of Agriculture, the stock-yards company, and the live-stock exchange in case the offenders are members of the exchange.

There seems to be a misunderstanding as to the punishment for wrongdoing which the Department of Agriculture can inflict. In the first place, I have no authority to refuse to register commission firms doing business on the market. I have no authority to put out of the market commission firms which may be found guilty of wrongdoing. When I find people apparently guilty of wrongdoing, I can cite them to a hearing. If their guilt is established, either by confession or as a result of the hearing, I may order them to cease and desist from the wrongdoing, but I cannot fine them for what they have done. After the order to cease and desist has been issued, they then become subject to a heavy fine for each repetition of the offense.

The stock-yards companies can exercise some power over wrongdoers by virtue of their ownership of the yards, and can bar agencies from the yards in case of flagrant wrongdoing.

The live-stock exchange can discipline its members, either by fines or by suspension or expulsion from membership, because the members of live-stock exchanges have agreed to abide by the rules and regulations of the exchanges, thus rendering themselves subject to exchange discipline.

The rules and regulations of the live-stock exchange at St. Paul were filed with us, as required by law, and these rules include the right of the exchange to punish its members for improper conduct. The rules of the stock-yards company also were filed with the department, and these rules carry authority to deal with misconduct in the yard. Under the Packers and Stock-Yards Act, both the exchange and the stock-yards are required to enforce the rules and regulations which they have adopted.

When we sent our auditors to St. Paul, the board of directors of the live-stock exchange said to us that, if any of their members were guilty of wrongdoing, they wanted to know it; that they would promptly deal with them. Each member of the exchange authorized us to report to the directors anything we found to be wrong in the conduct of his business.

The task of auditing the books of thirty-four commission agencies in the St. Paul yard was a big one. Before it was long in progress we began to discover irregularities on the part of different firms. We could have waited until the audit was completed, and then cited these firms for hearing, and, if found guilty, could have issued an order to cease and desist. We could not have put them off the market. We could not have fined them for what had been done. Such a course would have required delayed action for many months until the audit could be completed.

It was evident that members of the exchange had been guilty of violation of the rules of the exchange, and had thus rendered themselves subject to punishment by the exchange. It was also evident that these guilty firms had violated the rules of the stock-yards company which they had agreed to follow, and therefore had rendered themselves subject to punishment by the stock-yards company. To get prompt action, therefore, these guilty parties were reported to the exchange and to the stock-yards company. Action by both was prompt and drastic. Nine firms were fined. Two of these firms subsequently withdrew from business. Seven other firms were indefinitely barred from the yards. The guilty ones were punished promptly and effectively, and every practical step is being taken to secure restitution for shippers, if they have lost anything through these irregularities.

It should clearly be understood that the punishment inflicted by the exchange and by the stock-yards company does not relieve any of the guilty firms from the penalties of the law as enforced by the Department of Agriculture. In every case of improper practice formal proceedings have been or will be prosecuted by us against both members of the exchange and non-members. If they are found guilty, orders to cease and desist will be issued; and thereafter, if the offense is repeated, they will be subject to the fines imposed. Nothing has been done to relieve the guilty from the full penalties of the law, and nothing of this sort will be done. The penal punishment imposed by the exchange and the stock-yards company is not a substitute for action by the Department of Agriculture, but an additional punishment.

The point to the whole matter is this, that the course I have followed has resulted in putting the most guilty ones entirely out of the market. If I had not called upon the live-stock exchange to punish its guilty members, and upon the stock-yards to enforce its own rules and regulations, punishment would not have been so prompt as it has been, and, so far as my authority is concerned, these guilty agencies would still be doing business there.

Those who want delayed or ineffective punishment are quite right in criticizing the policy I have followed, but those who want the guilty ones brought to book in the quickest and most vigorous way will indorse it.

When the investigation has been completed, a detailed report of the entire matter will be made public.

This, we think, effectively answers most of the criticisms. We are particularly pleased to note that "every practical step is being taken to secure restitution" for defrauded shippers. There remains, however, the question as to whether much of the misunderstanding and ill-feeling could not have been avoided if the secretary had chosen to take the public into his confidence at an earlier stage. A detailed knowledge of the intricacies of the law can hardly be presupposed in the average man. If all the cards are on the table at all times, motives are less likely to be impugned. It should not be forgotten that the Packers and Stock-Yards Act, as one of its most effective weapons, contemplates full publicity. In the atmosphere of secretiveness surrounding the proceedings at St. Paul it is not strange that the germs of distrust and suspicion should thrive. Both in Congress and out, there are plenty of people keenly watching for a chance to attack either the law itself or its administration. These should not be furnished too much gratuitous ammunition.

THE CHICAGO COMMISSION CASE

IN JUNE, under the heading "Shady Live-Stock Transactions," we commented on a case at the Chicago stock-yards where a commission man—an "outsider"—after due hearing before the local live-stock exchange, had been declared guilty of "uncommercial and dishonest conduct," his bond canceled, his pens locked up, and members of the exchange notified to cease business relations with him. The crime of which he was accused and convicted was failure to account to the owners for the full amount realized on a lot of sheep sold by him. This decision was

appealed to the Packers and Stock-Yards Administration, where the complaint was amended to charging failure to furnish proper account sales and to abide by the tariff of rates and charges filed by the defendant himself.

After two months of deliberation, the administration has rendered its "tentative findings of facts," which now go to the Secretary of Agriculture for review. It finds that the defendant "did not fail to account for the full sale prices received for the sheep," that he "did not correctly report in the account sales the names of the purchasers of the sheep," that he "did not in all cases render complete account sales," and that "the rates specified in said tariff were not adhered to," in that he had neglected to charge a certain person, buyer and seller of the sheep, a commission.

In other words, the offense, such as it was, was largely of a technical nature, no criminal intent whatever having been proved.

In our previous article we mentioned no names. Here again the parties to the transaction shall remain anonymous. Those of our readers who are interested will know who they are. But, having given space to this proceeding in the first place, in the interest of clean methods at the yards and on the basis of a biased presentation of the facts, we take pleasure in doing ours to set the matter right. And we cannot refrain from adding a word of warning to those old-line firms which, for their own ends, do not hesitate to make what capital they can out of anything that may in the slightest degree reflect on an "outsider," while at the same time attempting to smother the most glaring irregularities committed by any of their own people under a blanket of silence.

[As we go to press, the order of the Secretary of Agriculture in the above-mentioned case is published. In all main points it confirms the conclusions of the "tentative findings."]

NEW ZEALAND BEEF FOR OUR HAWAIIAN GARRISON

OUR AUSTRALIAN CORRESPONDENT, in his letter printed in another column, reports on rumor that this year's beef contract for the United States garrison at Honolulu has been awarded to a New Zealand firm. We have already, in our July issue, commented on the anomaly of feeding foreign meats to our soldiers and sailors on United States territory. If the limited refrigerator capacity of naval vessels compels our ships on cruise to pick up their provisions wherever they happen to be, as explained by the Paymaster-General of the Navy, this argument does not apply to permanent garrisons on our own soil.

We have raised a high tariff barrier to keep out foreign meats, taxing our consumers in the interest of our producers. We have enacted other laws in aid of our live-stock industry, which right now needs all the support it can get. Then what an inconsistency, and what a curious negation of the whole protective principle, for our own government to buy its meat supplies on a purely competitive basis, giving its contracts to the lowest bidder in any part of the globe!

The authorities are not to blame. They are acting only in compliance with statute law. It is the law that is awry. An amendment to this overlooked piece of legislation should be introduced at the next session of Congress, making it mandatory on all military and naval commanders, wherever possible, to purchase their food supplies from American sources only.

CO-OPERATIVE LIVE-STOCK MARKETING

FARM LITERATURE today is dominated by articles on co-operative marketing, in strong contrast with conditions a decade ago. Many co-operative enterprises have been launched—a large number of which, it must be admitted, have failed. That the one outstanding success in co-operative marketing of agricultural products has been in live stock is matter for congratulation. To this result various organizations have contributed, but the body directly responsible is the National Live Stock Producers' Association.

This association was organized in December, 1921, and started its first agency for co-operative selling and buying of live stock at the National Stock Yards, Illinois, in January, 1922. Six offices were put in operation in 1922, and the number has now been increased to thirteen. All but three of these paid expenses the first month, the three failing to do so reaching that point between the first and the third months. The offices are all in the front rank as regards the percentage of business which they are handling on their respective markets, and the majority of them are in first place. The largest proportion of total receipts at any market is 31 per cent, which amount was handled by the Indianapolis office.

Under the energetic administration of John G. Brown, president, and F. W. Simpson, general manager, the Producers' agencies are thus rapidly becoming an important factor in the live-stock trade of the country. Not only are they demonstrating the possibility of materially reducing commission charges, but their activity as intermediaries between the western breeder and the Corn Belt feeder is one of growing significance. It is here, perhaps, that their greatest service in the future will lie. The principle is sound. Obstacles in the way of its execution can be overcome, as the Producers are proving.

THE STOCKMEN'S EXCHANGE

BEEFSTEAK OR BREAKFAST FOODS

TOPEKA, KAN., September 18, 1923.

To THE PRODUCER:

It seems that everybody is out to prevent the farmer who raises beef cattle from making a living, and they are all working at it early and late. As one opens a package of breakfast food, he is admonished on the wrapper that the contents have more calories than a cut of beefsteak—size not mentioned; and we all know that the package did not cost so much as a large beefsteak would have done. And the calories! We do not exactly know what a calorie is, but the wrapper emphasizes it in such a way that we know we must have it, and we are scared stiff to realize that we have been ignorantly dining off those big, juicy beefsteaks, and thus shortening our lives, when, if we had known it, we could have been feasting on some kind of prepared food with calories in.

It is easy to understand why the wrapper reads as it does and why it is intended to throw a chill of apprehension into our systems. A certain breakfast food is made of wheat, and a package of it weighs four ounces and sells for 15 cents. A bushel of wheat weighs sixty pounds, and the farmer receives a dollar for it. When made into this kind of breakfast food, this bushel of wheat retails for $36. Even a gross profit of $35 on a bushel of wheat is enough to throw a lot of calories into any consumer.

This is not to decry the efforts of the manufacturer of breakfast foods. He is doing the best he can, and his emphasis on calories helps to sell his product and to keep us from thinking about his profits. But it is to decry the lack of initiative which has heretofore been displayed by the beef-producers, who make one of the most wholesome and satisfying foods in the world, and who have no need to camouflage their product to get people to eat it. They have just simply missed their chance by not advertising, and have been paying for it in low prices and reduced herds.

The makers of breakfast foods are not the only offenders against the beef-producers by any means. Buy a little sack of salted peanuts from the "newsy" on the train, and see how many calories you get for a nickel; or a package of raisins, full of "energy-giving food value" and "equal to four pounds of milk, four and a half pounds of potatoes, or one-third of a pound of beef when compared pound for pound." Both the peanuts and the raisins in these packages are good food, and probably have the value in calories that is claimed for them; but that is not the big idea. The big idea is to sell the peanuts or the raisins, and to convey the impression that they are better than beef as articles of human food, because they cost less per calorie.

The dairyman insists that his products—milk, butter, and cheese—are entirely wholesome, and just filled with calories and vitamines. And he is right—they are. And when he tells us that so many ounces of butter are equal in calories to a pound of beefsteak, he is right again; but he is "agin" the beef-producer in making the comparison.

The bakers' organizations fairly make one's hair stand on end at what beef-eating will do to one's liver and lights and things, when we could just as well insure long life by cutting out the beef and subsisting on bread alone, in spite of the biblical injunction.

They are all at it; not so much by direct attack upon beef or meat for food, as by boosting their own products in making comparisons which do not tell both sides of the story, and by conveying the impression that beef is a proper food only for the lower animals, and for those persons who do not care to live very long.

Ages of human experience, confirmed by the researches of modern science, have conclusively proved that man's diet must be a mixed one, composed of due proportions of animal and vegetable food. The use of either one alone burdens the system and results in a waste of much that cannot be used by the body. If the diet is confined to bread alone, there is a surplus of starch, which must be thrown off by the body as not only useless, but very liable to decompose and become noxious. If the diet were meat alone, there would be a surplus of nitrogenous matter, which would invariably affect the digestive system and clog the carburetor.

Even if you buy a bottle of patent medicine for what ails you, the label will tell you that it will cure any old thing which may be hanging about your sytem, provided you will cut out the meat. There are no half-way measures in this matter. Either you cut out the meat, or the Great Medical Discovery is not guaranteed to cure what ails you.

You would not have thought it of the family doctor, but he too has it in for the beef steer. That is, some of him has. When you stick out your tongue and he feels your pulse, he does not now ask you if you drink much whisky. He does not have to with the kind now in vogue. He does, however, ask if you eat much meat; and, if guilty, you are condemned to a diet of what you do not like and to pay a bill that is absolutely distasteful. However, this applies to a certain grade of doctor, and only to some of him.

Of course, one can understand that the slump in meat exports from 521,000,000 pounds in 1918 to 41,000,000 pounds in 1922, due to the cessation of the war and the following conditions, should have its effect upon the meat industry; but that does not explain it all.

The population of this ountry grew from 97,000,000 in 1910 to 107,000,000 in 1920, but the number of beef cattle decreased from 47,000,000 to 42,000,000 in the same time. A great increase in population, with an absolute decrease in the number of beef cattle.

On top of this is another condition which needs further explaining. In 1910 we consumed an average of 79 pounds of beef per person, while in 1921 the home consumption amounted to only 66 pounds per person. This is a decrease of 13 pounds of beef for each one of us in this country, and, if applied to our present population, would mean that we lack a billion and a half pounds of consuming as much beef as we did ten years ago. It also means that, if we now consumed as much beef

per person as we did in 1910, there would be a home market for more than three million steers more than there now is.

Of course, the beefing of dairy-bred animals in increasing numbers has had something to do with the matter, as dairy-bred cattle do not supply the choice cuts mostly demanded by the public at present, though the retail price of the cheaper dairy beef is kept on a par with that of choice baby beef, much to the advantage of the retailer.

Admitting that these things have had, and do have, their influence on the beef industry, they only serve to emphasize the one big, outstanding fact that beef production in this country is where it is because our people are being taught and scared into using so-called beef substitutes.

The word "calories" has been worth a lot of money to some people, and now that it is beginning to be "old stuff," the newer and more mysterious word "vitamines" is being worked to a frazzle.

A calorie is simply the unit of measurement for the heat generated in the body by the digestion of our food. Any food will produce calories, though there is a wide difference in this respect. But heat is only one of the benefits which we derive from our food, and its measurement in calories serves to give only one of the food values, and is in no sense a correct showing of the full value of the food.

We are told that a cow's horn and her best beefsteak have almost identically the same chemical composition, and yet we do not choose the horn for dinner.

To me some of the breakfast foods are absolutely uneatable without the addition of sugar and cream, and the directions indicate that they are intended to be so used. In such a case, the food value which I derive from their consumption comes from the sugar and cream, both of which supply calories.

About vitamines there is very little known, except that they are things we cannot do without and which exist in varying amounts in all foods, including beefsteak. The consumption of quantities of foods which are low in vitamines does not worry me, as I know that, if there is an excess of anything which the system does not require, the organs will eliminate it; so vitamines do not scare me. I further know that, if my diet is composed of a due proportion of animal and vegetable materials, the vitamines and calories will take care of themselves; so why worry?

The gist of the whole matter is this: The beef-cattle industry has been adversely affected by various causes in late years, the chief of which is that we are not eating beef as we once were, and are trying to satisfy ourselves with beef substitutes when "there ain't no such thing." The dominant races of the world are meat-eaters; the least progressive races are vegetarians. Shall we continue to eat meat and hold our place in the world, or shall we eat substitutes and string along with the rice-eaters of the Orient?

I. D. GRAHAM.

WHY? HOW?

WHITEWATER, COLO., September 20, 1923.

TO THE PRODUCER:

Why does the present condition exist in live-stock production? I have heard this question discussed on the range, debated in meetings of live-stock associations, argued in hotel lobbies, reasoned in print, and even settled in Pullman smokers by shoe-peddlers or some bird selling Poresknit underwear. Not that I class them all alike, because I have heard logical solutions from sane men and read reliable statistics from institutions of scientific research. There are the war and its propaganda to increase production, its after-effects in foreign exchange and credit, its influence in creating a wheat-eating era, replacing meat, followed by the depressed period in labor consumption. All of which I can accept as facts only. I must say it is too bad that these things were not theorized during the war, instead of being accepted as facts afterward. Then there is the Australian and Argentine competition, with cheaper production, which eliminates any chance of European trade, even though credits were adjusted, unless there prevailed a shortage in supply and a tremendous increase in demand.

I have also listened to radicals while they shouted: "Death to the middlemen!" While they down the commission men, feeders, and speculators, and hang the packers and retailers (I think myself there is an unreasonable gap between the producer's price and the consumer's, but I have always assumed that a few ham and egg retailers could explain more about that than anyone else), I have listened while they took possession of the railroads and erected a cowpuncher government, with a President wearing chaps and packing two guns. A nice state of affairs we should have then, shouldn't we?

However, I have heard nothing in regard to the producer himself being somewhat at fault for his predicament. Wait a minute now before you throw any stones! I am a producer myself, and I am chasing around in the same circle as the rest. We are like a bunch of sheep in a blizzard—we know we are cold, but we do not know where to go to get warm. We do not dare stop, for fear we shall freeze, and we cuss the weather man in Washington for not forecasting such a storm. If we could huddle together, we should perhaps be better off. The trouble is, though, that most of us are too busy trying to keep warm to reason this out.

It seems to me, now that I think about it, that this storm has been apparent for some time, and that we might just as well have reasoned it out ourselves as anyone else. Not only live-stock producers, but all producers of agriculture, are in the same boat; and, since this is probably the only industry of importance in the world that is not organized, it is unreasonable to think that this habit of selling for what we can get, and buying on a market where more or less of a definite price control is maintained, could lead to anything else.

In the past no attention has been given this question. Every man went on year in and year out, toiling on philosophy; and because he received compensation enough, and sometimes a little more, to keep him comfortably through the following year, he was satisfied. In those days he could buy sugar, shoes, and machinery at a more proportionate figure, and was not burdened so heavily with taxes and interest.

However, now that the situation is here, it is no longer a question of how it came about, but how it will be adjusted and how long it will take.

Who can tell? Personally I can conceive of only two ways in which it can be adjusted—either by evolution or through organization. This much I do know: If prices continue so that the producer cannot exchange his products of the ranch or farm for those of the factory, someone else besides him is going to get "snowed on." And if other people—whether laborers, manufacturers, or business men of any kind—continue to receive greater rewards for their work and investments, and the trend of young men from the ranch and farm to those better-paid occupations or businesses continues, beef steak and potatoes will be so darned scarce that neither elevator pilots nor oil kings can touch them. By that time the storm will have shifted from the sheep to the goats.

If the problem does not work itself out in this manner, then the adjustment would seemingly have to come through organization and a measure of price control. This latter solution would be difficult, because, as I have said, how can you rally sheep in a blizzard?

Even in the case of adjustment by evolution, price control seems inevitable in the end.

WILLIAM B. MIDDLEMIST.

KEEP DUTY ON CATTLE AND VEGETABLE OILS

OKLAHOMA CITY, OKLA., September 17, 1923.

TO THE PRODUCER:

I have read with a great deal of interest the editorial appearing in your September number under the heading "The Duty on Canadian Cattle."

It does seem strange that the Atlantic seaboard interests will so unfairly wallop the western producers, whether they are producers of live stock or of cottonseed oil. Our industries seem to have exactly the same kind of fight to retain the duties on vegetable oils and oil-bearing substances as you have to retain the duties on live stock and meats. In our case the interest of every cotton-farmer in the South is at stake, as in yours the interest of every live-stock grower in the United States.

I notice that you are going to have a Western Tariff Congress in Denver next month. I sincerely hope that the western interests will let their wishes be known in no uncertain tones.

J. H. JOHNSTON,

Secretary-Treasurer, Oklahoma Cottonseed Crushers' Association.

OUTSIDE CAPITAL FOR THE COW BUSINESS

LOS ANGELES, CAL., September 7, 1923.

TO THE PRODUCER:

I have been keeping in touch with the cattle business, in which I have long been interested, through your most instructive and appreciated publication. I have watched the drama of the recent years of depression through your pages, and an idea has occurred to me which I am taking the liberty of submitting.

It is suggested that the real salvation for the cowman lies more in interesting outside capital for investment in his business, to benefit or not as there are or are not profits, rather than in capital arising from a mortgage of all he owns, even though an attractive repayment plan is arranged.

In order to get this kind of money, he must demonstrate his business to be a good one—and there is the rub. In these days of great manufactories and other opportunities for investment, besides the myriad of speculative offerings, competition is truly strong. But why not try? Why does not the cowman attempt to sell *the idea* of his business? Ignorance of the business causes the average city man of means to hesitate.

The idea is to attract investors, not would-be operators. The cowman need not worry that others will take his business or that it will be overrun. It is very true that in no other line of production is special knowledge more necessary to successful management—knowledge born of long experience.

Why not compare a ranch to a manufacturing plant? The cow and bull are machines in that plant, producing the article to sell—the calf or yearling. Taking for basic figures a cow, or machine, worth $30 (and this low valuation should be a strong selling point) and producing a 60 per cent calf crop, a bull at $100, yearlings worth $25, heifers worth $22, and old fat cows selling at four cents, what will the cow machine earn in a life of eight years?

I am making no attempt to put a value on range or feed; for this varies greatly. But what is the maximum that can be paid for this, and operating expenses, including taxes and all other costs, to show a reasonable profit, based on the above cattle prices? Perhaps it will be found that plant valuations are too high. If so, it is well to know it.

It has occurred to me that through your "Stockmen's Exchange" you could gather very interesting and instructive data on this question. Learn what the men of lifetime experience say. Thus could the cow business be put in a form that would appeal to the layman.

I suggest considering only the cattle business as a producer of stockers, either calves or yearlings, and as practiced in the great breeding areas of the Southwest. Apparently this phase of the business needs more attention than any other.

No doubt co-operative marketing and the provision of feed insurance against the droughty year would prove of great benefit to the cowman. Those are goals to work toward. However, assistance is needed *now*, and the question is: "Is it a good business to get into *now?*"

Millions of acres in this country are, so far as is known, good for nothing but cattle-breeding. The young animal must be got out quickly; there is but enough feed to keep the cow in breeding condition. Effort to develop a thorough use of this area for the best interests of all the people is a truly patriotic one. I believe you have that opportunity.

A SUBSCRIBER.

CREDIT FOR WOOL-GROWERS

PURSUANT TO A CALL issued by the National Wool Warehouse and Storage Company, a large number of wool-growers, bankers, and representatives of the American Farm Bureau Federation met in Chicago on September 10-12, 1923, with officials of the Federal Farm Loan Board and federal intermediate credit banks, for the purpose of arriving at a clearer understanding of what is required of the wool-grower in order that he may avail himself of the benefits of the Agricultural Credits Act. It was shown that, in order to obtain credits through this source, growers must either organize co-operative marketing associations under the laws of their respective states, pooling their wool and borrowing direct, at 5½ per cent interest; or must organize local finance corporations which will indorse notes of members, these to be accepted by the banks, at the same rate of interest, in an amount equal to ten times the capital of the banks. Plans were perfected for the immediate organization of co-operative marketing associations in the various wool-producing states, in order that the 1924 clip may be more efficiently handled.

THE HIGHER THEIR CHARGE, THE GREATER THEIR LOSS

INTERESTING INFORMATION is contained in the preliminary report of the Bureau of Business Research of Northwestern University and the Department of Agriculture of their investigation into the cost of retailing meat. As a result of six months' study of the subject, the following facts have been disclosed:

1. That dealers taking the least tolls from their customers have the most profitable businesses.
2. That dealers whose expense margin reaches 25 per cent of their sales have been operating at a loss.
3. That nine out of every ten stores operating at an expense margin below 18 per cent of sales have been making a profit.

At the request of the National Association of Meat Councils, the government and Northwestern University jointly installed modern systems of simple accounts in the meat shops, and then invited monthly reports of costs, expenses, and profits.

"I think THE PRODUCER alone is worth the price I pay to the association, to say nothing of the other things the association is doing for the stockmen in the way of legislation and freight rates."—GUY B. PRUNTY, Muldoon, Idaho.

WHAT THE GOVERNMENT IS DOING

CONGRESSIONAL RELIEF FOR PRODUCERS

AID FOR AGRICULTURE, especially the wheat-farmer, is being seriously considered in administration circles. The question of a special session of Congress to deal with the problem has been discussed; but the President is reported as being opposed to this—at least until some definite plan has been put forward. Meanwhile a possible program for legislative action has been debated in cabinet councils. At a recent meeting Secretary Wallace presented a résumé of the whole agricultural situation, declaring that the government had a very clear responsibility in the matter, and suggesting a material reduction in freight rates and the establishment of an export corporation as methods promising relief. These recommendations were taken up for further study.

Mr. Wallace declared that he had little faith in the efficacy of arbitrary price-fixing for any one crop, because, even if it should afford temporary relief, it would almost certainly within a short time make conditions worse for the farmer. The buying and holding of a large part of the surplus wheat, or any other crop, might be of temporary benefit; but, unless production of that crop was controlled, it would aggravate the situation. In so far as American exporters of agricultural products find themselves at a disadvantage in dealing with foreign countries because exchange favors foreign competitors, he believed they should be helped by a government agency which would establish easier credit conditions on American purchases.

"Freight rates on agricultural products are altogether higher than agriculture can afford to pay at the present time," he said. "The railroads must not be crippled, but a reduction of at least 25 per cent in freight rates, especially on agricultural export commodities, should be brought about in some way without further delay. The entire structure of freight rates should be analyzed.

"If, as seems evident, we must admit ourselves to be on a permanently higher scale of industrial wages, and consequently higher cost of production, in industry as well as agriculture, normal relationship can be restored only by bringing agricultural prices up to somewhere near the level of other prices. The most hopeful prospect of accomplishing this purpose is through establishment by the government of an agricultural export commission or corporation with broad powers."

SEPTEMBER CORN-CROP ESTIMATE

CHANGE IN THE PAR BASIS of calculating the country's corn crop from 34 to 35.2 bushels per acre is partly responsible for an increase in the government's September estimate of 94,000,000 bushels over the August figures, making the total 3,076,000,000 instead of 2,982,000,000 bushels. This is the third largest crop ever recorded, comparing with 2,891,000,000 bushels harvested last year and an average of 2,931,000,000 bushels for the five years 1917 to 1921.

Changes in the other crops were immaterial.

GORE SUCCEEDS PUGSLEY

ANNOUNCEMENT IS MADE of the appointment of Howard M. Gore as Assistant Secretary of Agriculture, to succeed Charles W. Pugsley, who recently resigned. Mr. Gore is a native of West Virginia, where he is still interested in farming, specializing in the breeding and feeding of cattle. For several years he was president of the Live Stock Association and the Hereford Breeders' Association of that state. Since the passage of the Packers and Stock-Yards Act he has been in charge of the Division of Trade Practices. He was one of the arbitrators in the recent case which resulted in reductions in commission rates at four markets. His knowledge of western conditions is wide, and his appointment will be well received by his many acquaintances throughout the range states.

COST OF PRODUCING WHEAT AND CORN IN 1922

IN A TABULATION by the Division of Crop Estimates of reports from 2,417 farms in all sections of the country, it is found that the net cost of production of wheat throughout the United States in 1922 averaged $1.23 a bushel, while the selling value was only $1.11. This is on the basis of 16 bushels to the acre. The loss per bushel, according to this calculation, ranged from 30 cents in the south Atlantic to 4 cents in the western states.

On corn, on the other hand, based on 3,363 farms, there was an average net profit per bushel for the country as a whole of 7 cents—the figures for cost of production and value of product being 66 and 73 cents, respectively. In the western states the profit was 11 cents and in the north Atlantic states only 2 cents a bushel.

PROPOSED STANDARDS FOR LIVE STOCK

A TENTATIVE SCHEDULE of market classes and grades for cattle, calves, hogs, sheep, and lambs has been worked out by the Department of Agriculture, consisting of an elaboration of the schedule used during the past five years by the Bureau of Agricultural Economics. An effort has been made to make it sufficiently complete to meet the needs of any live-stock market, regardless of classes or grades of stock prevailing. A feature of the schedule is that the major subdivisions—namely, classes and grades—are, as a rule, based on permanent or fixed characteristics inherent in the animals, and which can therefore be considered independently of supply, demand, trade preference, price, or other similarly fluctuating conditions. Sex is the basis of class, whereas quality, conformation, and finish are the bases of grade. Between the two, several less important groups occur, such as "age selection," "use selection," and "weight selection."

In working out the classification, no attempt has been made to change or modify existing trade practices.

THE MARKETS

LIVE-STOCK MARKET IN SEPTEMBER

BY JAMES E. POOLE

CHICAGO, ILL., October 1, 1923.

MURDO MACKENZIE was right when he criticized the common practice of making a big crop of short-fed cattle in the Corn Belt, to be marketed in competition with westerns, as it hurts both. Last year, owing to adverse physical conditions, the West made a short crop of beef, and the short-feeder in the Corn Belt got away with it. Hugging the oft-dispelled illusion that repetition of that condition was possible this year, he essayed the performance—only to get a severe bump. Last year not only a short crop of western beef, but cheap corn, favored the feeder, while on this occasion corn was worth 75 to 85 cents generally, and in spots more.

Collapse of Prime Cattle Values

The trade has been badly fooled by the collapse of good-cattle values—a grade that was considered in secure position when the top went to $13.10 early in September. Confident prediction of a $14 market was made; but, as usual, feeders hiked to Chicago and Omaha, laid in a lot of fleshy western steers at prices ranging from $9.50 to $10.50 per cwt., and proceeded to poke corn into them. It is true that they could not be converted into prime bullocks, but they had quality, were fleshy when secured, and in sixty days were good enough for almost any trade. From a $12 basis such cattle dropped, almost overnight, to $10, in a thoroughly saturated market. A few weeks previously buyers were forced to compete on weighty cattle at $12 to $13, but this turn of the tide enabled them to lie back and take their pick at $10 to $11. Naturally cheaper grades suffered, westerns that were eligible to $8.50 to $9.50 at the high spot dropping to $7.50 to $8.50, and both stocker and feeder grades declining about $1 per cwt. The slump accelerated the marketward movement and aggravated the glut. Missouri River markets sought relief by rebilling to Chicago—always a doubtful expedient—until that market was wrestling with a glut and every covered pen was full of stale stuff over the week-end. The thing has happened times innumerable, and doubtless will happen again. Prevention is apparently an insoluble problem.

Fat Westerns Undoing of Corn Belt Feeder

Substantial profit on two previous crops of summer-fed cattle lulled Corn Belt feeders into a sense of false security this year. They were in the same psychological mood as the man who, after winning two successive horse races by playing favorites, concluded that he had solved a riddle, only to go "broke." Corn Belt feeders had not been apprised that the West had a crop of fat grass beef ready for delivery, and that the advance in heavy cattle had stimulated laying in that kind. Nobody is in position to hand out intimation of that nature; and, if a warning signal had been sounded, it is doubtful if the admonition would have been heeded. Such happenings appear to be in the nature of the inevitable in every sphere of production where restriction is either impossible or cannot be effected under present conditions.

Speculators Receive Severe Punishment

Country speculators, as usual, have been severely pinched. The gambling spirit became rampant during September; and, as cattle were bought to move at a specified date, they had to go. Thousands of steers acquired in the country at prices ranging from $10.50 to $11.50 per cwt. sold on the market $1 to $2 per cwt. below cost. The temptation to gamble in such emergencies is irresistible. Last year the country speculator cleaned up a pot of money at the expense of the feeder; this time the feeder got it back. Which merely emphasizes the fact that betting the same way twice in succession is dangerous.

Little Cattle Make Money

Once more the little cattle have scored. It is a statement not open to successful contradiction that every well-bred western calf acquired by Corn Belt feeders last fall, and intelligently handled, has made money, while many of the big cattle have been losers. During September an actual scarcity of finished yearlings developed, while there were plenty of plain heavy cattle. Fat yearlings selling above $10.50 have at all times been welcomed by killers.

Late September Develops Glut

The last two weeks of September developed a condition of stupor at the market. It was not a matter of price, but of getting rid of the cattle. Good 1,100- to 1,200-pound western steers went to killers at $7.50 or thereabout, and $10.50 bought choice 1,250- to 1,350-pound corn-fed bullocks. How low prices worked may be inferred from the fact that 1,000-pound rough western cattle went to killers at $5 to $5.50, and $8.50 to $9.50 took many decent short-feds that cost fully as much when acquired at Missouri River markets sixty days previously. Good cows were appraised at $5 to $6, canning grades at $2.75 to $2.90, and bulls at $4 to $4.50. Stockers and feeders were involved in the rout, $7 to $7.50 taking fleshy western cattle, and $5 to $6.75 practically everything in the stocker line.

Deductions for Double Counting

September cattle receipts were excessive everywhere, but when totals are compiled liberal deduction must be made for double counting, due to switching cattle from one market to another in an effort to secure an outlet—a process always costly. Had supply been 10 or 15 per cent less, the disaster would have been less serious. At the beginning of September, when prime steers were selling above $13 and the proportion of corn-fed cattle moving at $10 to $12.50 was large, this outcome did not seem possible. At one time killers picked over the western run somewhat greedily for heavy cattle at $9 to $9.50; later they bought corn-feds at the same price, relegating the best westerns to $8 to $8.25.

Again the question arises as to who got the "velvet." Packers deplore the glut, protesting against taking care of it. The wholesale beef market collapsed; but did the consumer derive the least benefit?

Swine Production Enormous

Whatever factors may have been responsible for expanding swine production, the job has been effectively done. Around 65,000,000 hogs will be marketed in the United States

this year—which is probably record pork production. Supporting prices under such continued heavy receipts as recently was impossible without invoking the miraculous. During the latter part of September some of the August advance of $2 per cwt. was effaced. At the high point $9.75 was paid for choice light hogs; but, as the market slipped, these dropped below $8.50, while heavy butchers and packing sows snuggled up closer to choice light bacons. This spread-narrowing process is not only seasonal, but suggests a demand for lard and heavy meats equal to, if not in excess of, current production. Lard stocks have at no time been heavy, and during August and September reserves were drawn on, despite continuous heavy marketing of lard-yielding packing sows. Now that the year's crop of packing sows is nearly in, big hogs will command more respect at the market.

Hogs to Be Marketed Lighter

The September slump put average cost at Chicago below $8; but, as the proportion of skippy stuff has been large, cost-figuring will be done on a different basis a few weeks hence, when the crop is standardized and 90 per cent of the daily supply moves within a range of 20 cents. Light hogs of the new crop are already showing up at the market, and, owing to the advance in corn, there will be a disposition to let 160- to 190-pound stuff go, at least until the surplus is whittled down. Hogs will not be carried to the same weight as on the last crop, as corn was cheap a year ago, and growers availed themselves of the opportunity to convert it into pork and lard, the result being record production of those commodities.

Export Trade Flourishing

Export trade continues on an enormous scale, and never before have American consumers disposed of so much hog product, so that trade has been kept in healthy condition, packers getting a prompt and profitable turn-over. As stocks will be whittled down by the opening of the winter packing season, a healthy market should develop with cold weather. Germany would undoubtedly take shiploads of lard and meats if the Ruhr difficulty could be settled.

Feeding Will Be Unprofitable

Even at $8 to $9 per cwt. at Chicago, or $7 to $8 on the farm, there will be no profit in feeding hogs during the coming winter. Old Nelse Morris once remarked that the hog crop cannot be maintained any longer than the corn crop, and corn is in such shape that hogs will undoubtedly be marketed early and at light weight, which should mean relatively cheap hogs during the early part of the winter and higher prices later on. What the market will do during the early part of the winter is anybody's guess.

Mutton Trade Prosperous

In striking and somewhat inexplicable contrast with a partly demoralized cattle market and a swine bourse that appeared to be on a well-greased set of skids, live-mutton trade, especially the lamb phase of it, has been phenomenally prosperous. A $14 market for fat lambs in September is without precedent, other than in war time, and when feeders are willing to pay $13 and up for thin western lambs that before the war were considered high above $6, they are either reckless or confident. As the ten principal western markets handled about 400,000 sheep and lambs—mostly lambs—weekly during September, there was not even a suspicion of scarcity. One cause of the buoyant, if not spectacular, market was a dearth of native lambs at eastern markets, which forced killers down that way to satisfy their needs at Chicago, injecting an element of competition with packers that would otherwise have been lacking. Another reason was an insistent demand for thin and fleshy western lambs from Corn Belt feeders, injecting additional competition into the trade. Lambs by the hundred thousand sold at $13 to $14, and by the thousand above $14—up to $14.75, which was the September high spot. At the crest of a somewhat sensational advance at mid-month, lambs were $1.50 per cwt. higher than at the corresponding period last year, and $4.50 higher than two years ago—a performance seemingly impossible at that time. This condition is the logical result of diminished production, which has removed all semblance of saturation or excessive production.

Boom Develops at Middle of Month

Comparisons between the opening and closing of September reveal little change in values, but at the middle of the month a miniature boom developed, on which fat lambs sold up to $14.75 and feeders to $14. Light yearling wethers went to $12, aged wethers to $9.75, and light ewes to $7.50. Immediately thereafter a somewhat logical reaction, under heavy receipts, set in; but the prompt manner in which the heavy run of westerns was absorbed all through September was a revelation to the trade, that month having a somewhat unsavory reputation at the market. So urgent was demand for fat lambs that they worked to a premium of 75 cents per cwt. over feeders, although the outlet for thin stock was not diminished perceptibly. At the high spot, $13 to $14.25 bought most of the native lambs, and $14 to $14.65 the bulk of the westerns, even culls selling at $10 to $11. Fat yearlings were put on an $11 to $12 basis, fat wethers sold at $7.75 to $9, and ewes at $5 to $7.50. By the end of the month $13 was a common price for choice lambs, with a few at $13.25 and the bulk at $12.50 to $13, feeders selling at $13 to $13.55. Fat yearlings were worth $10 to $11, wethers $6.50 to $9, and ewes anywhere from $4 to $6.75.

Feeders Paying High Prices for Lambs

Feeders have acquired a large number of lambs at prices ranging from $12.75 to $13.75, and a few up to $14. Whether or not they have invested wisely remains to be developed, but it is doubtful if the movement to the country has been of sufficient volume to depress values, provided the visible supply for the ensuing six months is intelligently distributed. At this writing, early in October, the bulk of the Idaho lamb crop has been marketed, serious depletion has been expected in the visible supply from Wyoming, and a few weeks hence Montanas will be closely garnered. It is true that the direct movement of feeding lambs from the western breeding-ground to the feed-lot has been heavy, but market action justifies expectancy that when they are ready for the shambles they will be taken care of. Relatively few western lambs have gone into finishing territory east of Chicago, the ovine contents of corn-fields west of Chicago will melt away this side of January 1, and thereafter Colorado feeders should have the market to themselves, unless the speculator jumps into the game, which is doubtful, as labor and feed are both high, and, what is more, those who back speculative feeding financially are not in a mood for taking the long chances involved.

September Receipts Heaviest in Two Years

September receipts of ovine stock at the principal western markets were the heaviest since the enormous run of October, 1921. The movement was deficient both in yearlings and in aged sheep, but carried a large percentage of over-the-hill ewes with respect to age, which went to killers at low prices, unless adapted to breeders' requirements, when they were able to pay freight charges and leave a balance. Of choice young ewes, selling at $10 to $12, there has always been a paucity, and the $7.50 to $9 kinds have been none too plentiful, few having gone out this season to rehabilitate depleted farm flocks in the Mississippi Valley and elsewhere.

Live-mutton trade appears to be the only phase of the live-stock industry that is enjoying reasonable prosperity, and even then heavy sheep are palpably out of line with lambs, despite preponderance of the latter.

HEREFORD BREEDERS

SOFT CORN STIMULATES STOCKER MOVEMENT

J. E. P.

A STOCK-CATTLE MOVEMENT OF ENORMOUS VOLUME has been in progress for six weeks past. From the central markets thin and fleshy cattle are going in all directions, the big pilgrimage being into what is known as Chicago territory. In August the Corn Belt had a logical hunch that it was to be a soft-corn season similar to that of 1917; and the hunch proved correct. Along toward the middle of September incalculable damage had been done to the maturing crop in Iowa, Illinois, Wisconsin, and Minnesota. Overnight green corn turned brown. It amounted to a calamity. Until husking is well under way the damage cannot even be approximated, but it has made a demand for cattle to salvage frosted grain that would not have developed otherwise. There has also been a movement of considerable volume from the markets to Kansas and Nebraska, together with a direct movement from the range to feed-lots west of the Missouri River, so that a large beef crop is in the preparation stage.

The switch from good to inferior corn has entirely changed the beef-making situation, and its effect on the market must be given consideration. Last winter, and all through the spring and summer, it was possible to fit a bunch of fleshy steers for the market in about sixty days, enabling feeders to get quick and numerous turn-overs, which will be impossible during the coming season. The logical result of this will be marked scarcity of fat steers and a superabundance of the near-beef variety. The crop of cattle made on old corn will be liquidated during October and November, whereupon both feeders and killers will run into a new set of conditions, involving slow gains and low dressing percentages. It will be a case of a lean year following several fat ones.

Not that a corn famine impends, but the 3,000,000,000-bushel estimate of the new crop made a month ago by Washington is now preposterous, as it was then, in view of the backward condition and September frost possibility. Crop guesstimators have, however, an inexplicable penchant for big figures—probably on the theory that it is their job to make the horny-handed agriculturist appear prosperous, at least in a statistical sense. Take a billion bushels off the early guesstimate, so far as merchantable corn is concerned, and you will probably hit the nail on the head. There is approximately that much damaged corn, and much of it has little value even for feeding purposes, much will spoil, and much will be wasted. In the frosted area the farmer has been administered a hard jab, as the thing most needed all over the Corn Belt this year was a bumper crop of that cereal, in view of depleted stocks and demand for beef and pork.

Stock-cattle values passed low spot for the season at the middle of September. By the end of that month a buying furore was on, stimulated by frosted corn. Feeders paid anywhere from $8.50 to $9.50 for fleshy western steers with weight, and a long procession of $6.75 to $7.75 stockers went over the scales and out to the country. Even plain cattle selling at $6 to $6.50 were in demand, and there was a call for the $5 kind that had nothing to brag about. Well-bred western yearlings have been popular with feeders this year around $8, but, to be eligible to that price, had to show breeding.

Corn-crop conditions will probably affect stocker and feeder demand during the latter part of the winter and along next spring. Renters will feed up their soft corn and quit beef-making, while the in-and-outer will follow his usual practice of staying out when corn is high. Regular feeders in sections where corn has matured will do their usual volume of feeding, and probably make it pay, although the big steer will be unpopular on account of its capacity to tuck feed away in its internal economy without giving results. You will not hear much complaint from killers about tallow or overweight carcasses for many a long day. Wherever possible, it would seem to be an opportune time to poke western hay into western cattle on the ground, as fleshy steers will be in demand for short periods on corn late in the winter.

Suggestion of dollar corn is made. New-crop cash values have not been determined, but if the movement to primary points falls short of actual requirements during the next ninety days, a display of pyrotechnics in the corn market will be inevitable. Come to think of it, little more than a year has elapsed since certain individuals with perverted theories actually counseled corn-burning. Some of the old corn that was "fed up" extravagantly last winter and summer would come in handy now, had it been conserved.

THE KANSAS CITY MARKET

BY EDWARD S. KENNEDY

KANSAS CITY, MO., October 1, 1923.

THOUGH THE CREST of the fall supply of cattle appears to have been reached in August, when on one Monday more than 51,000 arrived—the largest receipts in one day at any market in the history of the live-stock industry—records and near-records of movement were established in the past month. Hog receipts, with 316,884 head, established a record for September, and the arrivals of cattle, 341,276 head, were the second-largest September supply, ranking next to the record established in 1918. Sheep receipts, 214,285 head, were the largest since 1920, but considerably under those of war time.

Naturally prices of cattle worked lower, though demand from the Corn Belt for stockers and feeders continued broad. Values at the close of the month were from $1 to $2 lower than at the high point in August. Many Kansas grassers of good weight and wintered, which sold up to $10.50 at one time, found difficulty in negotiating $8.75 last week. Quality, however, was not quite up to the standard at the high point. The best cattle were rushed to market early this year. A seasonal scarcity of corn-feds developed in all but the short-fed classes, which aggregated more than the usual quota at this season—a condition augmenting the decline in wintered grassers. Few fed steers in the past week reached $11, the bulk now selling at $9 to $10.

Strong demand from Corn Belt buyers for stock cows and heifers served to sustain the market for the killing kinds. The best classes, for which killers were the only buyers, declined about 50 cents. Few sold for $6 or better, the bulk of the corn-fed cows going at $4.50 to $5.50. Best grass cows are now selling for $4 to $4.50, with now and then some choice young cows up to $5. Occasionally corn-fed heifers sold up to $10, with the bulk at $7.50 to $8.50. Best grass-fat heifers made $6.50 to $7; the bulk, $5.50 to $6.

Demand for best grades of straight feeders sustained the market for that class, but the general level of fleshy feeders and the rank and file of lighter weights are down about $1 from a month ago. Best straight feeders are still selling around $7.50 to $8, with the fleshier grades but little higher. A good kind of stockers and feeders is bringing $6.50 to $7.25. There was practically no change in the market for stock cows and heifers, owing to the broad eastern demand, the Corn Belt displaying an abrupt about-face from last season's indifference to these classes. A large number of stock cows has gone to the Three I states around $3.25 to $3.75, and a good many heifers for $4 to $4.50.

Insistent call for top-notch white-face calves sustained the market for that class. The entire calf market is up for the month, though closing prices were down $1 from the extreme

high in September. Best veals are now selling around $9.50. Choice steer stock calves commanded $7.50, with most call for the heavier weights. The movement of Panhandle and New Mexico calves is just getting under way.

Drought in southern Kansas and Oklahoma was responsible for heavy liquidation of half-fat hogs that were not fit for slaughter, and there was a sharp break in prices after they had reached the highest level of the year early in the month. September is ordinarily the high month of the year, and prices usually hold up until the new-crop hogs hit market; but this year the break came suddenly. Present tops run around $8, compared with $9.20 early in the month. There was a considerable number of stock and feeding hogs in the run, and the Corn Belt bought heavily at prices around finished hog prices, after vaccination and dipping charges were paid. Out of first hands stock pigs sold a dollar or more under top hogs, whereas a year ago they were selling at top hog prices.

The range-lamb season really opened in September, and weaker prices developed, as usual. At the outset of the month the best grades reached $14, whereas $12.75 was the limit at the close. The bulk of offerings came from Utah and Colorado. Very few mature sheep arrived. Prices declined about $1. Feeding and breeding sheep were offered freely, but demand was broad.

THE DENVER MARKET

BY W. N. FULTON

DENVER, COLO., October 2, 1923.

WHILE RECEIPTS OF CATTLE on the Denver market last month were 6,800 head less than for the same month one year ago, the marketing of all other live stock was heavier this year than last. Hog receipts were approximately 7,000 head larger, while the increase in sheep totaled over 45,000 head. The increase in the number of cars of all classes of stock was about 350.

Excessive drought last year in the range country caused early marketing. This year, however, the feed on the ranges is excellent everywhere, and stockmen are holding back their shipments in order that their cattle may put on as much weight as possible before going out. Compared with two and three years ago, the September movement of stock was above normal.

Little improvement was noted in the cattle trade during the month, as compared with August. Packer buyers were in the market from day to day for a limited number only of choice killing cattle, and, with this class available, they were exceedingly hard to interest in anything not strictly good. As the month proceeded, the inquiry for feeder cattle became better, and this division of the market showed a fair degree of life.

Good-quality fat steers were finding outlet at $8 to $8.50 early in September, while a few loads of strictly choice, heavy steers sold for further finishing at around $9 to $9.50. At the close of the month very desirable fat steers were quoted at $8.25 to $8.50, and practically nothing above these figures. Good-quality fat cows were selling early in September at $4.50 to $5, with choice light heifers at $5.50 to $6.25. At the close of the month quotations on cows were much the same, with strictly choice heifers at $5.50. Feeding steers of good quality were selling at $7.50 to $8 early last month, with an occasional sale of strictly fancy steers of fleshy type at $9 and $9.50. At the close of the month good-quality feeders were selling for $7.50, and a really desirable grade of steers went over the scales at around $6.75 to $7.25.

These prices are not materially different from those prevailing on the Denver market one year ago. A good grade of beef steers was selling at Denver last year late in September at $7 to $8, while good-quality cows were finding outlet at $4.75 to $5.35. Feeding steers of good quality were quoted at $6.50 to $7.40. In late November, 1922, a desirable grade of beef steers sold at from $6.50 to $7.25, with cows quite largely from $4 to $5, and feeding steers from $6 to $7.

Indications point to a big trade in feeder cattle and stockers during the months of October and November. Reports from the range country show that liberal supplies will be forthcoming. Feed conditions in the Corn Belt and throughout the feeding districts of Colorado are excellent, and stockmen are expected to make liberal purchases of feeding stock in order to consume their surplus feed. Present indications point to the largest volume of business of this class ever handled on the Denver market during October and November.

Hog prices were well maintained during the month, although values at the close were lower than those prevailing thirty days earlier. At the end of August, hogs were selling in Denver at $9.20. The downward trend of the market carried prices to around $8.40 for tops at the close of the month. The opinion is general that further declines may be expected, as the crop of new-corn hogs becomes plentiful and supplies increase on the various markets of the country.

A large volume of sheep-trading was done here during the month. Packers bought liberally of the supply of fat sheep and lambs available, while the feeder demand exceeded the supply throughout the month. Choice fat lambs were selling at the close of August on this market at $12 to $12.25. At the close of September prices were much the same. Feeding lambs were selling a month ago at $12 to $12.25 for the good grades, and this price was maintained on desirable feeders throughout the month. Good-quality ewes were selling here at the close of September around $4 to $4.75, with a plain grade as low as $3.50. Feeder-buyers everywhere are scrambling to secure their fall supply of feeding lambs, and considerable contracting was done in the country during the month of September. Buyers from Colorado feeding districts and from points in the Corn Belt were in the Denver market from day to day, and everything available in the way of feeder lambs was snapped up readily. Reports indicate that Colorado feeding districts will finish fully as many lambs this fall as last, if not more.

NEW LIFE IN WOOL TRADE

J. E. P.

LONDON put life into the wool market a few weeks back, the September series of sales at that point demonstrating that it was not a wholly useless commodity. Then came a rip-roaring Cape sale, followed by the opening of a buoyant series at Sydney; and Boston awoke to the fact that it was a wool market. Dealers actually were able to do business with weavers, who had recently insisted that wool was a liability rather than an asset, as possession entailed storage charges. The British market responded to continental demand, only Germany being inactive; and if the Ruhr problem is ever disposed of, that country will be heard from. Japan not only refrained from canceling orders, as was confidently predicted on account of the earthquake, but bought more wool at the London sale.

So much bearish propaganda has emanated from manufacturing circles concerning wool values that opinion from that source is badly discredited. Perhaps the goods market has not been so active as weavers would like to have it, and accumulating their products at present cost is undoubtedly hazardous; but too much pessimistic prophecy has been put in circulation. It is detrimental, not only to producers, but to the entire industry.

Low wools have come into popularity, even low quarter-blood noils changing hands in large quantities. A significant phase of the trade is that manufacturers are shopping, and that it is no longer necessary for dealers to resort to "drumming." Since foreign markets came to life, domestic trade has been well sustained, medium to low grades showing marked activity. Foreign markets are all strong, London auctions the last week of September showing gains of 5 to 10 per cent in the case of coarse cross-breds and inferior Merinos.

Complaint of a sluggish clothing market reflects excessive expenditure in "gas" and motors, resulting in restriction of clothing-buying; but this will be remedied as the season works along. A fine fall keeps people on the road, whereas the first blast of winter puts machines in dead storage, prompting owners to prepare for the season of inclemency. That dealers are carrying light stocks of clothing, and that woolen-manufacturers are operating on a hand-to-mouth basis, so far as raw material is concerned, admits of no doubt.

The only bearish argument available is the current high cost of converting wool into clothing, together with cost of distribution and a pronounced disposition on the part of consumers to stint on clothing in order to spend money on automobiles. On the other hand, all the government-owned wool in the world has disappeared, and during the past two years far more wool has been consumed than was produced—a condition that cannot continue indefinitely. It is a safe prediction that the 1924 clip will be in a far better strategic position when it leaves the sheep's back than was that of 1923; which must mean materially higher prices, unless consumption is seriously restricted by restoration of war prices on clothing or curtailment of purchasing capacity. In trade circles there is a disposition to anticipate shortage next year by picking up the stock of available wool while it can be had at reasonable prices This accounts for current activity in low grades.

There is considerable speculation concerning the new South American clip, especially in view of the recent spectacular sale at the Cape. Present indications are that the entire stock of domestic wools will be cleaned up long before the 1924 clip is ready. The recently loquacious bear party is thoroughly discredited.

WHOLESALE PRICES ON WESTERN DRESSED FRESH MEATS

Monday, October 1, 1923

FRESH BEEF

STEERS:	CHICAGO	BOSTON	NEW YORK
Choice	$18.00-19.00	$17.50-18.00	$18.00-19.50
Good	16.50-17.50	16.00-17.00	15.00-17.00
Medium	14.00-15.00	14.00-15.00	12.00-14.00
Common	9.00-11.00	12.00-13.00	9.00-11.00
COWS:			
Good	12.00-13.00	10.50-11.00	11.00-12.00
Medium	10.00-11.00	10.00-10.50	10.00-11.00
Common	7.00- 9.00	7.50- 9.00	8.00-10.00
VEAL:			
Choice	21.00-22.00	....	23.00-25.00
Good	19.00-20.00	....	19.00-23.00
Medium	14.00-16.00	15.00-16.00	14.00-17.00
Common	8.00-12.00	12.00-14.00	11.00-13.00

FRESH LAMB AND MUTTON

LAMB:			
Choice	$25.00-27.00	$23.00-24.00	$24.00-25.00
Good	23.00-25.00	21.00-22.00	22.00-24.00
Medium	21.00-22.00	20.00-21.00	20.00-22.00
Common	16.00-18.00	18.00-19.00	16.00-19.00
MUTTON:			
Good	15.00-17.00	....	13.00-14.00
Medium	12.00-14.00	12.00-14.00	11.00-13.00
Common	8.00-11.00	9.00-11.00	8.00-10.00

LIVE-STOCK MARKET QUOTATIONS

Monday, October 1, 1923

CATTLE AND CALVES

	CHICAGO	KANSAS CITY	OMAHA
STEERS (1,100 lbs. up):			
Choice and Prime	$11.85-12.85	$10.50-12.25	$10.50-12.00
Good	10.25-11.85	9.25-10.50	9.00-10.50
Medium	8.25-10.25	7.50- 9.25	7.50- 9.00
Common	5.85- 8.25	6.00- 7.50	6.00- 7.50
STEERS (1,100 lbs. down):			
Choice and Prime	11.75-12.60	10.25-12.00	10.25-11.75
Good	10.25-11.75	9.00-10.25	8.75-10.25
Medium	8.00-10.25	7.35- 9.00	7.25- 8.75
Common	5.50- 8.00	5.15- 7.35	5.00- 7.25
Canners and Cutters	3.25- 5.35	3.00- 5.15	3.00- 5.00
LIGHT YEARLING STEERS AND HEIFERS:			
Good to Prime	9.65-12.00	8.75-11.00	8.25-10.75
HEIFERS:			
Good to Choice	8.00-10.80	6.75- 9.00	6.50- 9.50
Common to Medium	4.25- 8.00	4.00- 6.75	4.00- 6.50
COWS:			
Good to Choice	5.50- 8.25	5.25- 7.50	4.75- 8.00
Common to Medium	3.50- 5.50	3.40- 5.25	3.25- 4.75
Canners and Cutters	2.65- 3.50	2.15- 3.50	2.25- 3.50
BULLS:			
Good to Choice	4.85- 7.00	4.00- 6.00	4.25- 7.00
Canners to Medium	3.15- 4.75	2.75- 4.00	3.00- 4.25
CALVES:			
Medium to Choice (190 lbs. down)	7.75-12.00	6.50-10.00	7.00-10.00
Culls and Common (190 lbs. down)	6.00- 7.50	3.00- 6.50	3.50- 7.00
FEEDERS AND STOCKERS—			
STEERS:			
Common to Choice (750 lbs. up)	5.40- 8.50	4.75- 9.00	5.00- 9.00
Common to Choice (750 lbs. down)	4.25- 7.75	4.25- 8.00	4.25- 8.00
Inferior (all weights)	3.50- 4.25	3.00- 4.50	3.25- 4.50
COWS AND HEIFERS:			
Common to Choice	3.25- 5.00	2.75- 6.00	3.25- 6.00
CALVES:			
Common to Choice	....	4.00- 7.25	4.25- 8.00

HOGS

Top	$ 8.45	$ 8.05	$ 7.75
Bulk of Sales	7.40- 8.10	7.40- 8.00	7.15- 7.75
Heavy Wt., Medium to Choice	7.70- 8.35	7.70- 8.00	7.35- 7.75
Medium Wt., Medium to Choice	7.85- 8.40	7.80- 8.05	7.40- 7.75
Light Wt., Common to Choice	7.25- 8.25	6.70- 7.90	7.15- 7.75
Light Lights, Common to Choice	6.75- 8.05	6.25- 7.50	....
Packing Hogs, Smooth	7.10- 7.35	6.40- 6.75	7.20- 7.30
Packing Hogs, Rough	6.75- 7.10	6.00- 6.40	6.90- 7.20
Slaughter Pigs, Medium to Choice	5.75- 7.25	....	....
Feeder and Stocker Pigs, Med. to Ch.	....	5.00- 6.50	5.50- 6.75

SHEEP AND LAMBS

LAMBS:			
Medium to Prime	$11.50-13.25	$10.50-12.50	$10.75-12.75
Culls and Common	8.75-11.50	7.00-10.50	8.25-10.75
YEARLING WETHERS:			
Medium to Prime	8.50-11.00	7.25-10.75	8.00-10.50
WETHERS:			
Medium to Prime	5.25- 9.25	5.25- 8.00	6.00- 8.00
EWES:			
Common to Choice	3.75- 6.75	3.50- 6.25	3.25- 6.00
Canners and Culls	1.00- 3.75	1.00- 3.50	1.00- 3.25
FEEDING LAMBS:			
Medium to Choice	11.75-13.25	....	11.25-13.00

EIGHT MONTHS' LIVE-STOCK MOVEMENT

DURING THE FIRST EIGHT MONTHS of 1923 sixty-seven markets received 14,122,445 cattle and calves—a gain of 489,925, or 3.6 per cent, compared with the corresponding period of 1922. Slaughter increased 534,409 head, or 6.8 per cent, and the stocker and feeder movement decreased 142,927 head, or 6.2 per cent.

Receipts of calves at the same markets aggregated 4,064,852—a gain of 290,674 head, or 7.7 per cent. Slaughter was 8.4 per cent greater than last year, while the movement of stock calves to the country increased 5.6 per cent.

Eight months' hog supply at the sixty-seven markets aggregated 35,665,874 head—an increase of 7,768,225, or 27.8 per cent; slaughter showing a gain of 27.6 per cent, and the stocker and feeder movement an increase of 22.5 per cent, although it aggregated but 500,877 head.

Receipts of sheep and lambs at the same markets were 12,559,728 head—a decrease of 386,954, or 3 per cent, compared with 1922. Slaughter decreased 1.6 per cent, and the feeder movement 5.7 per cent, on the same basis of comparison.

It will be seen that the only material increase in meat production has been in the case of hog product. Although cattle-marketing shows a gain, decrease in weight means actually less beef tonnage than last year.

STORAGE HOLDINGS OF FROZEN AND CURED MEATS

BELOW IS A SUMMARY of storage holdings of frozen and cured meats on September 1, 1923, compared with September 1, 1922, and average holdings on September 1 for the last five years (in pounds):

	Sept. 1, 1923	Sept. 1, 1922	Five-Year Average
Frozen beef	24,637,000	28,210,000	98,527,000
*Cured beef	22,036,000	20,081,000	25,086,000
Lamb and mutton	2,019,000	3,376,000	6,433,000
Frozen pork	148,683,000	84,815,000	95,879,000
*Dry salt pork	191,462,000	165,668,000	270,827,000
*Pickled pork	411,761,000	369,187,000	341,600,000
Miscellaneous	66,205,000	55,773,000	77,339,000
Totals	866,803,000	727,110,000	915,691,000
Lard	115,824,000	119,755,000	126,606,000

*Cured and in process of cure.

LIVE STOCK AT STOCK-YARDS

APPENDED ARE TABLES showing receipts, shipments, and slaughter of live stock at sixty-seven markets for the month of August, 1923, as compared with August, 1922, and for the eight months ending with August, 1923 and 1922:

RECEIPTS

	August		Eight Months Ending August	
	1923	1922	1923	1922
Cattle	2,214,158	2,148,895	14,122,445	13,632,520
Hogs	3,713,759	3,036,726	35,665,874	27,897,649
Sheep	1,799,860	1,951,203	12,559,728	12,946,682

TOTAL SHIPMENTS*

	August		Eight Months Ending August	
	1923	1922	1923	1922
Cattle	1,056,418	1,035,443	5,603,766	5,638,466
Hogs	1,447,984	1,065,290	12,447,388	9,716,026
Sheep	898,024	903,789	5,759,991	6,015,075

*Includes stockers and feeders.

STOCKER AND FEEDER SHIPMENTS

	August		Eight Months Ending August	
	1923	1922	1923	1922
Cattle	480,339	469,040	2,160,573	2,303,500
Hogs	62,087	31,277	500,877	408,756
Sheep	340,566	349,591	1,397,540	1,481,632

LOCAL SLAUGHTER

	August		Eight Months Ending August	
	1923	1922	1923	1922
Cattle	1,168,264	1,105,587	8,427,884	7,893,475
Hogs	2,283,122	1,975,791	23,191,099	18,180,633
Sheep	902,883	1,020,682	6,783,064	6,896,154

FEEDSTUFFS

THE COTTONSEED MARKET has been seesawing up and down for the past thirty days. On October 4 the price of cake and meal, 43 per cent protein or better, f.o.b. Texas common points, was $39. Hay prices at Kansas City on October 2 were as follows: prairie—No. 1, $14 to $15; No. 2, $12.50 to $14; No. 3, $8 to $12; packing, $7 to $8; midland—No. 1, $8.50 to $9; No. 2, $7 to $8; lowland—No. 1, $8.50 to $9; No. 2, $7 to $8; alfalfa—select dairy, $26.50 to $27; choice, $25 to $26; No. 1, $23.50 to $25; standard, $20.50 to $23; No. 2, $17 to $20; No. 3, $14 to $16.50; timothy—No. 1, $17 to $18; standard, $15.50 to $16.50; No. 2, $13.50 to $15; No. 3, $11.50 to $13; clover-mixed—light, $16.50 to $17.50; No. 1, $15 to $16; No. 2, $11.50 to $14.50; clover—No. 1, $18 to $20; No. 2, $12 to $17.50; straw—$8 to $8.50.

OFFICERS OF MEAT PACKERS

AT THE EIGHTEENTH ANNUAL CONVENTION of the Institute of American Meat Packers, held in Atlantic City, N. J., September 17-19, 1923, the following officers were elected for the ensuing year: president—Charles E. Herrick, Chicago; vice-presidents—C. B. Heinemann and W. W. Woods, Chicago; E. C. Merritt, Indianapolis; J. C. Dold, Buffalo; J. J. Felin, Philadelphia; treasurer—John T. Agar, Chicago.

TRADE REVIEW

TRADE IN AGRICULTURAL PRODUCTS FOR PAST FISCAL YEAR

COMPLETE EXPORTS AND IMPORTS of live animals, meats, hides, wool, and grains for the United States during the twelve months from July 1, 1922, to June 30, 1923, as compared with those of the previous fiscal year, were as below:

LIVE ANIMALS
(Numbers)

EXPORTS

	1922-23	1921-22
Cattle	61,486	155,281
Swine	76,099	97,555
Sheep	15,791	62,354
Horses	8,668	27,827
Mules, asses, burros	12,719	11,241
Totals	174,763	354,258

IMPORTS

	1922-23	1921-22
Cattle	263,887	151,533
Sheep	82,903	96,086
Horses	2,816	3,136
Totals	349,606	250,755

More than half of the imported animals were from Canada, Mexico sending most of the rest.

MEAT AND MEAT PRODUCTS
(Pounds)

EXPORTS

	1922-23	1921-22
Beef, fresh	4,077,002	3,993,449
Beef, canned	2,301,499	3,748,486
Beef, pickled, etc.	24,185,263	26,774,124
Oleo oil	104,956,378	117,174,260
Totals, beef products	135,520,142	151,690,319
Pork, fresh	43,501,610	25,911,193
Pork, canned	2,761,121	2,263,102
Pork, pickled	40,933,756	33,510,146
Bacon	408,282,065	350,548,952
Hams and shoulders	319,186,689	271,641,786
Sausage	10,412,662	9,171,377
Lard	952,641,705	812,379,396
Neutral lard	26,494,079	19,572,940
Lard compounds	11,139,730	30,328,176
Totals, pork products	1,815,353,417	1,555,327,068
Mutton and lamb	1,869,083	2,502,213

IMPORTS

	1922-23	1921-22
Beef, fresh	32,480,509	28,001,208
Pork, fresh	997,965	929,615
Mutton and lamb	8,708,726	12,854,925
Meats, prepared	8,991,481	5,128,868
Totals	51,178,681	46,914,616

Of our imports of meats and meat-food products, Canada was the chief source of supply. Argentina ranked second, and Uruguay third.

WOOL
(Pounds)

EXPORTS

	1922-23	1921-22
Wool and mohair, unmanufactured	476,045	923,700

IMPORTS

	1922-23	1921-22
Wool and mohair, unmanufactured	525,472,657	255,087,236

HIDES AND SKINS
(Pounds)

EXPORTS

	1922-23	1921-22
Cattle hides	11,199,922	26,686,338
Calfskins	3,157,449	4,938,677
Sheep and goat skins	974,036	739,821
Others	5,656,173	4,633,781
Totals	20,987,580	36,998,617

IMPORTS

	1922-23	1921-22
Cattle hides	405,383,201	204,936,434
Buffalo hides	3,801,350	3,084,060
Kip and calfskins	66,519,671	41,558,062
Horse, colt, and ass hides	22,401,206	4,724,674
Sheep and lamb skins	86,399,136	48,838,392
Goat and kid skins	89,370,185	83,534,641
Kangaroo and wallaby skins	1,151,703	723,573
All others	7,859,414	5,503,771
Totals	682,886,066	392,903,607

GRAINS
(Bushels)

EXPORTS

	1922-23	1921-22
Barley	22,282,264	28,054,588
Buckwheat	139,681	383,494
Corn	94,064,053	176,385,614
Oats	18,573,603	15,987,264
Rye	51,411,550	29,683,602
Wheat	154,950,971	208,321,091
Totals	341,422,122	458,815,653

IMPORTS

	1922-23	1921-22
Corn	137,529	124,591
Oats	293,208	1,733,282
Wheat	18,012,540	14,465,509
Totals	18,443,277	16,323,382

EXPORTS OF MEAT PRODUCTS IN AUGUST

EXPORTS OF MEAT AND MEAT PRODUCTS for the month of August and the eight months ended August, 1923, as compared with the corresponding periods of 1922, were as below:

BEEF PRODUCTS
(Pounds)

Articles	August		Eight Months Ended August	
	1923	1922	1923	1922
Beef, fresh	358,322	328,428	2,507,215	2,304,378
Beef, canned	91,876	258,006	1,323,408	1,820,767
Beef, pickled, etc.	1,550,933	2,621,108	14,667,961	17,763,899
Oleo oil	10,974,807	8,1[illegible]5,987	69,434,123	75,585,661
Totals	12,975,938	11,393,529	87,932,707	97,474,705

PORK PRODUCTS
(Pounds)

Articles	August		Eight Months Ended August	
	1923	1922	1923	1922
Pork, fresh	4,183,316	2,092,509	31,053,824	11,190,052
Pork, pickled	4,310,722	3,883,745	26,865,149	23,378,272
Bacon	33,003,585	32,591,199	278,789,604	216,884,686
Hams and shoulders	36,190,021	18,761,349	252,646,208	195,538,418
Sausage, canned	202,189	152,385	1,945,403	1,159,301
Lard	83,758,033	68,906,810	702,544,203	498,580,603
Neutral lard	1,324,267	1,693,339	17,394,344	13,142,925
Lard compounds	622,975	1,196,229	5,175,190	11,306,777
Margarine	288,631	57,817	1,449,966	1,121,778
Totals	163,883,739	128,835,382	1,317,863,891	972,302,812

FOREIGN

ENGLISH LIVE-STOCK LETTER

BY JOSEPH RAYMOND

[*Special Correspondence to The Producer*]

LONDON, September 14, 1923.

SOME PERTURBATION in live-stock circles and among pedigree cattle-owners has been caused by the outbreak of foot-and-mouth disease in more than one locality of late. Such appearances of this scourge are, of course, most promptly and rigorously dealt with, but their recurrence from time to time only indicates how prone the live-stock industry always is, even in the best-regulated of areas, to this disease. By the way, one of the most heated topics of discussion at the coming Imperial Economic Conference in London will be the question of admitting into Great Britain breeding stock from Canada, Australia, and other dominions of the British Empire. While the dominions are pressing for the fulfilment of pledges given by certain members of the Lloyd George government at the time when the question of Canadian store cattle was under discussion, leading members of the pastoral community here contend that, if such pledges were given, they were made without full authority, and that in any case the admission of breeding stock on the same footing as store stock would, in the long run, be fatal to the British breeding industry. Others, taking a more moderate view, would welcome approved pedigree stock from the dominions, so long as nothing of inferior quality got through. The present government has not yet come to a definite decision on the matter, and is believed to be playing for some sort of compromise after discussion by the Economic Conference.

Summer marketings of fat cattle have for the last few weeks generally been of a restricted character, so that the cheapening tendency which is expected to ensue in beef has for the time being been postponed. A firm trade sees average prices for first- and second-quality cattle at $2.89 and $2.54 per 14 pounds (reckoning $4.55=£1). There have been larger offerings of store cattle, but the high prices asked are inducing many to hold up purchase as long as possible. Fat-sheep prices, and also those of lambs, are likewise well maintained at the present time, the average rates for first-quality Downs and cross-breds being the same as when last reported, at about 30½ cents per pound, while ewes fetch on an average 19½ cents and lambs 34½ cents. Sheep sales have been active and well maintained in the store market.

There are no features in the imported dead-meat market that point to any marked change in this direction at this time, nor, indeed, any outstanding occurrence to report. The main characteristic is the firmness of the frozen-beef market, as compared with the tendency to slump in lambs at the present time; and this is to be largely accounted for by the comparative holdings in these two classes of meat. The New Zealand beef just now arriving can only just make 10 cents per pound wholesale in Smithfield for prime ox hindquarters, with fores at 5½ cents. Argentine chilled-beef imports have for the moment slackened off again, and temporarily allow slightly more facility for frozen-beef sellers in London and the provinces, but the ever-impending possibility of a glut from Argentina still holds up the Australian trade in the doubtful position into which it has drifted during the past few years. It is recognized that Argentina, by her proximity to Great Britain, and by the

greater efficiency of her meat-handling and exporting arrangements, has "got the colonial trade beat"—at any rate, under all present conditions. Trade authorities have said that New Zealand certainly has too many freezing works—that is, to operate under equal advantages of overhead charges with South American producers. It has been suggested that the Australian beef problem will never be solved until the marketing party from one or more works engaging in the business has the operation of both domestic supply in Australia and export supply to Europe in his hands, so that meat-works can be engaged on a basis of greater efficiency.

It is some little time since the committee of the British government on the subject of trusts was disbanded, after delivering a certain brief report. The issue of a report on meat by a departmental committee of the Ministry of Agriculture in London reminds one that the authorities at Westminster still have their eyes on the topic of trade control. The committee now reporting, in a reference to this subject, says that "the suggestion has been made to it that, in order to stabilize prices over a long period and to prevent exaggerated fluctuations, an imperial meat corporation should be established in co-operation with the dominion governments, to control the importation and marketing of frozen-meat supplies from imperial sources. Such a corporation would guarantee prices for a number of years to overseas producers; it would control the cold storage in this country and the refrigerating works in the dominions; and it would buy from non-empire countries at world prices from time to time only such supplies as were needed to make up deficiencies in British requirements. The home producer, it is claimed, would benefit by a steady market; the home consumer, by the elimination of price fluctuations which, in the long run, are always detrimental to his interests." The trade in London, while not taking such a suggestion quite seriously, considers that there is just a little bit too much government control about in the business just now—New Zealand with her Meat Producers' Board and Australia with her Meat Council—for such a reference as the above to be entirely without sting or menace. But it is hoped that the experiences of government control in the recent war will keep wise men from the expedients therein hinted at.

LIVE-STOCK INTERESTS IN AUSTRALASIA

BY A. C. MILLS

[*Special Correspondence to The Producer*]

MELBOURNE, August 16, 1923.

IN MY LAST DISPATCH I mentioned that a conference of cattle-breeders and feeders in Queensland had passed a resolution approving the principle of compulsory co-operation in connection with sales of cattle. The outcome of this resolution was the nomination of a special subcommittee to consider the various proposals brought forward with the object of placing the industry on a sound financial basis, and to formulate therefrom a definite scheme. As a result of the committee's labors, a number of recommendations have been submitted to the State Minister for Agriculture, which, to say the least, go a good deal farther along the road to compulsory co-operation than the majority of graziers care to contemplate. In fact, the scheme is so drastic that one wonders how the subcommittee, which was largely composed of graziers, ever came to pass it. Evidently it was the counsel of desperation rather than that of wisdom.

To quote the proposals in full would take columns of print; so I will confine myself to a brief résumé of the main points. The committee recommends the appointment of a cattle board, consisting of seven cattle-owners and one government representative, to be endowed with wide powers and elected on the franchise of graziers possessing more than 100 head of cattle. This board is to be financed by levying on vendors a tax on the net price of all sales of cattle, dairy stock included, in Queensland. (The amount of the tax is not mentioned in the recommendations, but is left to the board to fix.) The tax, apart from paying salaries and office expenses, etc., is to be used for the purpose of reimbursing cattle-owners, exporters, or meat-works for any loss, after allowing for a reasonable working profit, arising on cattle killed for export oversea.

The most far-reaching and revolutionary proposal is to give the board power to regulate the price of cattle, the object being to insure a 10 per cent profit to all producers. The committee, in an endeavor to arrive at an equitable basis, explains that the present average cost in Queensland of producing cattle of a suitable age for slaughter is approximately $23 to $24 per head. Further, to realize, after paying taxation and overhead expenses, a net 10 per cent on cattle investments of a moderate size, an average of $42 must be obtained. The present average selling price, they say, is $19.20 per head. A tentative suggestion is made that the price of export-quality bullocks shall be fixed at $43.20, local consumption at $36, interstate sales value at $28.80, and internal sales at $19.20 per head. It is provided in the recommendations that, for the purpose of levying, cattle sent to another state shall be deemed as being sold in Queensland at a price determined by the board, but not less than $24 per head. In the case of calves or vealers under twelve months the minimum price is to be $9.60 each.

Under the terms of the scheme, the board is also to be empowered to acquire abattoirs, or meat-packing plants, where, and if, considered necessary. That implies general meat-trading, although this is not definitely stated.

The above is the gist of the proposals that have been submitted to the Minister for Agriculture. Before doing anything, he is consulting the Crown Solicitor on the legal aspects. Should his decision be favorable, and the cabinet approve, the government will have to introduce special legislation into Parliament to bring the scheme into operation.

That the proposals are not meeting with the full approval of graziers goes without saying. While a measure of compulsory co-operation would probably be welcomed, the idea of a board being given powers to fix the price of all cattle in the state, and to levy on all sales, irrespective of whether conducted privately or by auction, possesses so many difficulties and possibilities for pitfalls that the scheme is looked on with suspicion. The two principal cattle-producers' organizations—the Queensland Cattle Growers' Association and the United Graziers' Association—have both publicly dissociated themselves from any responsibility in the formulation of the proposals, while only a few days ago a meeting of eighty of the largest owners in the state met in Brisbane and condemned the scheme out of hand. The unfortunate feature is that the Queensland government—which, by the way, is of the Labor persuasion—loves few things better than a compulsory pool, and will, if it can, force one on cattle-owners. There are already compulsory butter, wheat, egg, maize, sugar, and other pools in that much-governed state.

The frozen-beef export season in the north is rapidly drawing to a close. About two-thirds of the packing plants that have been killing cattle this winter are now shut down, and most of the others will follow suit by the end of the month. Fats being scarce, values for suitable bullocks have advanced. According to the last report from Brisbane, the few export companies then operating in south Queensland were buying on the basis of from $4.80 to $5.40 per 100 pounds for bullocks and $4.32 for cows. Even allowing for the bonus, which represents about 40 cents per 100 pounds, these rates must be above present oversea market parity for Australian beef. Under the cir-

cumstances the firms are not likely to buy more than sufficient to fill their existing contract obligations.

The small advance in fat-cattle values in Queensland is as nothing compared with the rise that has taken place in the other states. Values have jumped $30 to $40 a head for ordinary trade bullocks during the month; and, as far as Victoria is concerned, it is safe to say they would have gone a good deal higher had it not been for importations from New Zealand. Three shipments of fats, each of about 700 head, have been landed in Melbourne from Wellington, N. Z., in the last six weeks. The last consignment averaged nearly $145 a head, and the others not far short of that amount. Short supplies account for the extreme rates now obtaining.

The following list of quotations, at per head, for stock sold in the municipal sale-yards last week shows how values stand: Melbourne—prime bullocks, $145 to $165; extra-heavy ditto, to $250; good handy-weights, $110 to $140; fat cows, $100 to $120; prime cross-bred wethers, $12.70 to $13.90; ditto ewes, to $12; fat Merino wethers, $8.90 to $10.80; ditto ewes, to $11.50; spring lambs, $8.65 to $10.55. Sydney—prime heavy bullocks, $100 to $110; extra-weighty, to $174; medium bullocks, $85 to $95; fat cows, $60 to $70; prime cross-bred wethers, $10 to $11; ditto ewes, to $8.90; prime Merino wethers, $10.25 to $11.25; ditto ewes, to $9.10; good lambs, $9.10 to $10.30. Brisbane—fat bullocks, for the local trade, $35 to $45; extra-weighty, to $60; medium lines, $25 to $34; fat cows, $30 to $37.50.

New Zealand reports another spell of bad weather, including rain and some fairly heavy snowstorms in the South Island. The country affected is most devoted to sheep-grazing, and it is feared that heavy losses will result. Apart from the recent exports of fat bullocks to Victoria, little of moment has occurred in connection with cattle interests since last writing. Values are holding their usual winter course. At the Addington yards, Christchurch, the end of July prime bullocks were fetching from $55 to $64.25 per head, and medium weights from $41 to $54. All the packing-houses are closed down.

I hear that this year's beef contract for the United States garrison at Honolulu has been obtained by an Auckland firm. Between 5,000 and 6,000 bullocks will be required, spread over the twelve months. The specifications call for more trimming than is usually done, and extra fat meat is not wanted, though it must be prime. It is stated that shipment will be made in conjunction with an Australian concern, and that the price is 4¾ cents per pound—a rate which certainly does not err on the side of liberality.

ARGENTINE CATTLEMEN CLAMOR FOR GOVERNMENT AID

THE RUSH OUT OF THE CATTLE BUSINESS in Argentina continues as pronounced as ever, says a correspondent to the *National Provisioner*, writing from Buenos Aires in August. Panicky graziers are selling off their live stock for what it will bring, and are turning to raising grain. With the recent slump in the grain market, however, some bitter experiences are predicted for the quitters, the profits going to those who have "stood pat" and who will have fat steers to sell when the rest have none.

During the past few months prices have remained practically stationary at an abnormally low level, with little prospect of immediate improvement. Cattlemen are clamoring for legislative action, and certain measures have passed through Congress, among them a bill authorizing the executive to spend up to $10,000,000, Argentine paper, for the erection of cold-storage plants in the federal districts, where surplus meat stocks may be deposited and warrants issued against them. A law providing for the sale of all live stock on the basis of live weight, supplanting the old method of so much per head, has likewise been promulgated. In addition, several measures are still pending, the most far-reaching of which is a bill providing for government control of the packing industry, with or without the fixing of a minimum price to be paid for animals.

A contract, subject to the approval of the legislature, has been signed by the government of the Province of Buenos Aires for the acquisition of the Zarate plant of the Anglo-South American Meat Company—a Vestey concern. The contract provides for the sale of the output of this establishment by Vestey Brothers in England and France.

The formation of a national co-operative society that will undertake to regulate sales, prices, etc., and at the same time provide the capital necessary for the storing of vast quantities of meat against better market conditions, is advocated by the Argentine Minister of Agriculture. He has called into consultation leading cattlemen from all over the country, and it looks as if his efforts were to be crowned with success. One of the problems with which such a society would have to deal is the slaughter of cows and calves, which has been going on at such a wholesale rate that Argentina's herds are diminishing rapidly. Just how far this diminution has proceeded will not be known until the completion of the animal census now being taken.

ROUND THE RANGE

PROFITABLENESS OF GOOD BREEDING

Good breeding as a factor in meat yields is emphasized in a series of studies compiled by John Roberts, of the Bureau of Animal Industry. In the tests all the principal classes of live stock were included, from common animals to those slaughtered in the carcass competitions of the International Live Stock Exposition at Chicago. Figures were obtained both from government sources and from packers.

In cattle, dressing yields varied from 48 to 66 per cent; in sheep and lambs, from 42 to 58.3 per cent; in swine, from 75 to 85.3 per cent. In each case the highest percentages were produced by animals recognized as the best by judges of live stock and fed to render an ideal carcass.

The difference in dressing yield between a "good" and a "common" steer was found to be 6 per cent. For a steer weighing 1,000 pounds this would mean 60 pounds more of marketable meat. To this must be added the fact that meat from the higher-class animal is superior in quality, as well as better distributed among the choicer cuts. Figuring on two such steers, one classed as "good" and the other as "common," each weighing 1,000 pounds, and both sold at the beginning of July at Chicago, Mr. Roberts uses a price basis of $10.01 per 100 pounds for the former and $7.12 for the latter. This would make a difference of $28.90, or 40.6 per cent, in favor of the "good" animal.

Considering, too, the early-maturing quality of better-bred beef cattle, Mr. Roberts assumes that the steer classed as "common" was a year older than the other, and in that case would have to be charged with an additional year's keep.

DISEASES OF SWINE

In "Diseases, Ailments, and Abnormal Conditions of Swine," by T. P. White, of the Bureau of Animal Industry (Farmers' Bulletin No. 1244), descriptions are given, not only of the principal diseases affecting the hog (hog cholera, swine plague, tuberculosis, "flu," infectious arthritis, anthrax), but of a number of less ailments. The importance of prevention, rather than treatment, is emphasized. Neither for cholera nor for tuberculosis—the two most important of hog diseases—has any effective remedy been discovered. Serum injection as an immunizing agent against cholera, and keeping the hogs away from tubercular cows, whose milk should be sterilized before feeding, are recommended as the safest means of escape.

BLACKLEG

Medical treatment of animals once attacked by blackleg is ineffective, declares Dr. John R. Mohler, chief of the Bureau of Animal Industry, in Farmers' Bulletin No. 1355, "Blackleg—Its Nature, Cause, and Prevention." Protection, however, may be obtained from injection of vaccine, which is procured through commercial sources. The disease is confined to areas where the soil is infected by the blackleg organism. It affects especially cattle from six to eighteen months old. It is characterized by the formation under the skin of gaseous swellings which emit a crackling sound on pressure, high fever, rapid breathing, suspension of rumination, and great depression, and nearly always terminates fatally in from twelve to thirty-six hours. Carcasses of animals dying of blackleg should be burned or deeply buried, to prevent reinfection of pastures.

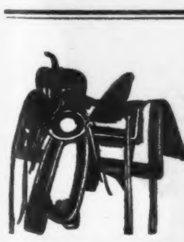
POISONING OF LIVE STOCK BY COCKLEBURS

Many reports of poisoning of live stock by cockleburs have come to the Department of Agriculture from time to time. To ascertain the facts in the matter, experimental work was undertaken on a large scale. This has demonstrated beyond a doubt that the plant is poisonous to swine, cattle, and sheep, and that the poisoning occurs from eating the young plant just after germination. After the first pair of leaves has been developed, it apparently loses its toxic properties. While the seeds also are distinctly poisonous, it is not thought that animals often eat enough of these to do them any harm.

Symptoms of cocklebur poisoning are depression, nausea accompanied by vomiting, rapid and weak pulse, and a low temperature. They ordinarily appear within twenty-four hours after the plant is eaten, and commonly continue for only a few hours. Effects are espe-

cially marked in young pigs up to two months of age. The dose causing sickness or death was found to be not far from one and a half pounds of the green plant to one hundred pounds of animal.

Remedies suggested are keeping animals away from young cockleburs, and extermination of the plant before the burs have an opportunity to mature. It was found that pigs fed whole milk, lard, or bacon grease showed no symptoms of poisoning.



PRODUCER COMPANIES THRIVE

As showing the growth of the business done by the co-operative companies operating under the National Live Stock Producers' Association, we quote the following data:

For the first six months of 1922 the Producers at the various markets handled 3,932 cars of live stock, while for the same period in 1923 they handled 27,017 cars. The percentage of the total receipts in the markets where they operated for the first six months of 1922 was 7.3, while the 1923 figure was 9.1. Net earnings for refund for the first six months of 1922 were $25,532.48, while in 1923 net earnings were $179,629.57. The value of the live stock handled during the first six months of 1922 was more than $5,900,000, and in 1923 it was $37,800,000.

"We believe this will demonstrate the character of the service we are rendering," says General Manager F. M. Simpson. "If we did not render service, our business would not show such a large increase."

COLORADO STOCK GROWERS APPOINT MANAGER

Dr. B. F. Davis, of Cheyenne, Wyoming, has been appointed general manager of the Colorado Stock Growers' Association. Dr. Davis is a graduate of the Kansas City Veterinary College. For several years he was connected with the Bureau of Animal Industry, serving in Colorado and Wyoming. In 1911 he was appointed state veterinarian for the latter state, resigning in 1915 to enter private business. More recently he has been the president of the Wyoming Frontier Days celebration. Last June he was elected secretary of the Wyoming Stock Growers' Association. His offices will be at the Exchange Building, Union Stock-Yards, Denver.

GOVERNMENT EMPLOYEES INCREASED BY WAR

On June 30, 1916, there were a total of 438,057 persons employed in the federal executive civil service in the United States. On November 11, 1918 (the date of the signing of the armistice), this number had increased to 917,760, or more than doubled. From that time on there has been a gradual reduction, though the number of civil-service employees in the government departments is still considerably in excess of the prewar figure. On June 30, 1922, there were a total of 560,863.

In the Department of Agriculture the changes caused by war activities have been comparatively slight.

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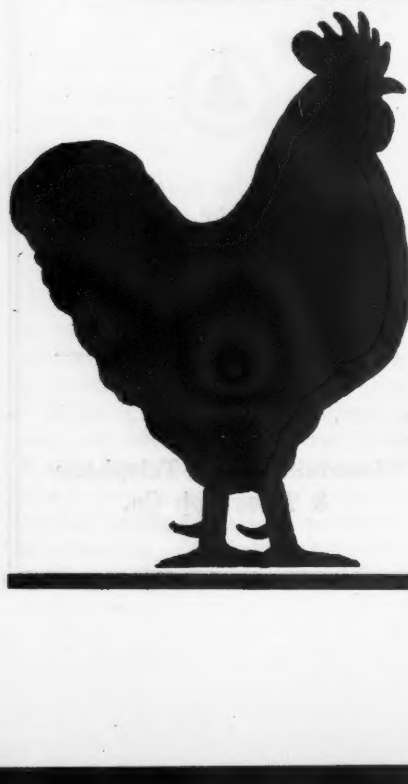

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